



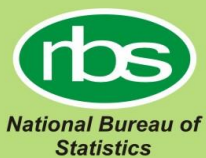
# **SURVEY REPORT ON MICRO, SMALL AND MEDIUM ENTERPRISES (MSMEs) IN NIGERIA**

**PRELIMINARY REPORT**

**2010 NATIONAL MSME COLLABORATIVE SURVEY**



**A COLLABORATION BETWEEN NATIONAL BUREAU OF STATISTICS  
(NBS) AND THE SMALL & MEDIUM ENTERPRISES DEVELOPMENT AGENCY OF NIGERIA  
(SMEDAN)**



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## Foreword

The Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) was established in 2003, to facilitate the promotion and development of a structured and efficient Micro, Small, and Medium Enterprises (MSMEs) Sector that will enhance sustainable economic development in Nigeria. The Agency is the apex and coordinating institution for all matters relating to starting, resuscitating and growing MSMEs in Nigeria. The Agency is also saddled with the responsibility of contributing to the attainment of Vision 20-2020, the Transformation Agenda of the present administration and the Cluster Development Approach of the Ministry of Trade and Investment. We provide the following Services:

- Generation and dissemination of Business information
- Business Awareness creation
- Business Development Services
- Access to Market and Finance
- Advancing Entrepreneurship Education
- Stimulating Entrepreneurship/Enterprise Development
- Enterprise cooperation and clustering
- Policy Advocacy for improved Business Operating Environment,

with the overall objective of alleviating poverty, expanding gainful employment opportunities, wealth creation and sustainable economic growth and development.

The Micro, Small and Medium Enterprises are globally acknowledged as the oil required to lubricate the engine of socio-economic transformation of any nation. The MSME sector is strategically positioned to absorb up to 80% of jobs, improve per capita income, increase value addition to raw materials supply, improve export earnings and step up capacity utilisation in key industries. The sector is structured across other key sectors, including Agriculture, Mining and Quarrying, Building and Construction, Manufacturing, Solid Minerals, etc, and thus has strong linkages with the entire range of economic activities in the country.

It is therefore on the above premise that this Survey was conceived as our concerted response to the challenges of building a credible and reliable MSME database required to strategically reposition the sector. The dearth and paucity of credible and reliable database is one of the main constraints to the development of the MSME Sector in Nigeria. Due to the absence of a robust MSME database, the Agency and other principal stakeholders could not proactively evolve sustainable intervention strategies toward repositioning and creating efficient and sustainable MSME sector in Nigeria.

In addition to the afore-mentioned, The Agency recognizes the importance of credible and reliable data for Planning and Decision-Making. Consequently, some of the key deliverables of the survey include:

- Contribution of the sector to the Gross Domestic Product;
- Contribution to employment;

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- Determine the number of MSMEs in Nigeria on geo-political and sectoral basis;
  - Identify the challenges and constraints confronting the operations of MSMEs in Nigeria;
  - Identify the skill gaps within the sector;
  - Determine the grow rate of MSMEs; among others.

It is in this regard that we undertook this Collaborative Survey with the Bureau, as a key Public Sector Institution with distinct competence and wide experience in data collection, collation and analysis. The Survey was conducted in the 36 States of the Federation and the Federal Capital Territory after the Pre-test in Lagos and Kano States.

I salute the Statistician-General, Dr. Yemi Kale and his management team as well as some of his predecessors who were involved at the inception of this project for their dedication, tenacity and commitment to the success of this survey. I also commend the Business Membership Organisations and Chambers of Commerce who constituted majority of the respondents for their cooperation, unalloyed support and input that enhanced the quality and credibility of the survey.

I call on both local and foreign investors to leverage on the MSME database and invest in this sector. I also implore the development partners, public and private sectors to collaborate and partner with the Agency to advance the course of the sector.

This National MSME Survey is what we are all waiting for to revolutionise the sector. The survey will in no doubt assist the Agency in evolving a Strategic Action Plan towards the emergence of virile and vibrant MSMEs that will stimulate and facilitate socio-economic development of Nigeria in accordance with the Agency's Enabling Act.

**Muhammad Nadada Umar**  
**Director-General/CEO**  
**SMEDAN**

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## Preface

The contribution of the Micro, Small and Medium Enterprises (MSME's) to the economic growth of a nation is well recognized. In developing countries like Nigeria, the contribution of MSME's towards employment generation is significant because they

- tend to use more labour intensive production processes than large enterprises, boosting employment and leading to more equitable income distribution
- provide livelihood opportunities through simple, value adding processing activities in agriculturally based economies;
- nurture entrepreneurship; and
- support the building up of systemic productive capacities and the creation of resilient economic systems, through linkages between small and large enterprises

Study findings on MSME in other developing countries have indicated that countries with larger share of MSME employment have higher economic growth than their counterparts. In fact it is suggested that one of the significant characteristics of a flourishing and growing economy is a booming and blooming MSMEs sector. MSME therefore play an important role in the development of a country by aforementioned, creating employment for rural and urban growing labor force, providing desirable sustainability and innovation in the economy as a whole .In addition to that, a large number of people rely on the small and medium enterprises directly or indirectly. Most of the current larger enterprises in Nigeria and indeed in the world have their origin in small and medium enterprises. In fact it can be said that MSMEs are different from large scale enterprises in three main aspects: uncertainty, innovation and evolution.

According to the United Nations Industrial Development Organization UNIDO, for developing countries, integration into the global economy through economic liberalization, deregulation, and democratization is seen as the paramount way to triumph over poverty and inequality. Important to this process, is the development of an animated private sector, in which small and medium enterprises can play a central role. Because MSMEs have a propensity to employ more labor-intensive production processes than large enterprises, they contribute significantly to the provision of productive employment opportunities, the generation of income and, eventually, the reduction of poverty. According to the statistics, in industrialized countries, MSMEs are major contributors to private sector employment. Empirical studies have shown that SMEs

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contribute to over 55% of GDP and over 65% of total employment in high income countries .MSMEs and informal enterprises, account for over 60% of GDP and over 70% of total employment in low income countries, while they contribute about 70% of GDP and 95% of total employment in middle income countries. MSMEs also play significant contribution in the transition of agriculture-led economies to industrial ones furnishing plain opportunities for processing activities which can generate sustainable source of revenue and enhance the development process. MSMEs shore up the expansion of systemic productive capability. They help to absorb productive resources at all levels of the economy and add to the formation of flexible economic systems in which small and large firms are interlinked. Such linkages are very crucial for the attraction of foreign investment. MSMEs are therefore a distinctive mainstay of the economy that requires owing attentiveness.

Despite an understanding of the importance of MSME in Nigeria in particular, there is a dearth of information about their number, people they employ and sectors they operate in Nigeria. While the development of the MSME is unarguably the mandate of Small and Medium Enterprises Development Agency of Nigeria (SMEDAN), The National Bureau of Statistics (NBS) according to the Statistics Act, 2007 is the main National Agency responsible for the development and management of official statistics, the authoritative source and custodian of official statistics in Nigeria. The NBS is responsible for coordinating the National Statistical System (NSS); advising Federal, States and Local Governments on all matters relating to statistical developments; developing and promoting the use of statistical standards and appropriate methodologies in the system among other responsibilities. Accordingly, NBS in collaboration with the SMEDAN conducted a survey on Micro, Small and Medium Enterprises aimed at providing adequate and reliable baseline data for the development of the sector, based on activities that occurred in 2010.

This study seeks to assess the Micro, Small and Medium Enterprises (MSMEs) objectively by presenting certain key data on the sector. Such data include MSMEs contribution to Gross Domestic Product (GDP), the number and structure of operatives in the sector and the main challenges and constraints confronting the sector. It also goes further to proffer solutions to the challenges, making policy recommendations to government for the development of the sector.

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Chapter one gives a background to the study, providing a brief history of MSMEs in the country, outlining its relevance, importance and structure. It shows the important role of MSMEs as catalysts for the economic transformation. The main reason espoused in the report for this is the low level of capital required to establish them and their labour intensive modes of operation which guarantees employment for a large number of people. Chapter two of the report provides an overview of the MSMEs in Nigeria. It provides some history of MSMEs dating back from the colonial days, showing some of the efforts and policies introduced by various governments to develop the sector and attract Foreign Direct Investment (FDI). A recent effort by the government to develop the sector was the Microfinance Policy Regulatory Framework, which is aimed at providing sustainable and credible microfinance bank, capable of channelling funds to the sector. The chapter also sheds some light on the agency responsible for the promotion and development of the sector that is the Small and Medium Enterprises Development Agency, SMEDAN, highlighting its functions and performance since its inception in 2004.

Chapter three follows with details of the survey design, methodology and coverage of the survey. The survey was conducted in all 36 states of the Federation including the Federal Capital Territory, Abuja. Divided into household and agric and business components, 300 micro enterprise households per state were visited while 4000 small and medium enterprises cutting across 12 sectors of the economy were covered. This sample provides estimates robust enough to compute the data. Chapter four provides analyses the findings of the survey data. Parameters such as number of enterprises by state and sector, start-up capital, ownership status by sector and gender are used to analyse the findings. The analysis of the data revealed that MSMEs play a very big role in the Nigerian economy, contributing about 46% of the Gross Domestic Product (GDP). Other interesting data on MSMEs in Nigeria are shown, providing a basis for well-informed decisions among planners, researchers and policy makers. Its show the significance and the potential for growth in the sector if the properly developed, particular as the nation aspires to be among the top twenty economies in the world by the year 2020.

The Report concludes by highlighting the challenges facing the MSME sector in Nigeria. With weak infrastructure, lack of access to finance and inconsistent government policies

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listed as the main challenges. Many MSMEs lack knowledge of the various laws, policies or statutes that protect them and can help them expand and grow. MSMEs are a major employer in Nigeria, it is therefore important that they are made aware of what is available to them

The NBS is delighted to have been associated with this study, as it provides adequate data that goes toward populating our statistical database and makes available, relevant data required for the development of the sector. This project could not have been put successful without the hard work of the management and staff of the NBS and SMEDAN. In particular, the dynamic role and commitment of the Director-General of SMEDAN, Alhaji Muhammad N. Umar, needs a special mention. Finally, I would like to convey my sincere gratitude to all producers and providers of data all around the country, whose valuable inputs made the publication of the report possible.

Dr Yemi Kale

Statistician General of the Federation and Chief Executive Officer  
National Bureau of Statistics

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## Acknowledgement

The implementation of this survey is the combined efforts of key stakeholders of National Bureau of statistics (NBS) and Small and Medium Enterprise Development Agency of Nigeria (SMEDAN).

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The technical support of the NBS was pertinent for the success of the survey.

Our profound appreciation is also for the Statistician General (NBS) and the Chief Executive Officer (CEO), Dr. Yemi Kale for his tenacity of purpose and steadfastness to the success of the survey.

Our many thanks also go to the Director General and Chief Executive Officer of Small and Medium Enterprises Development Agency of Nigeria (SMEDAN), Muhammad Nadada Umar for his unbending support to driving the project to successful end.

The efforts of the staff of both organizations who were actively involved in the planning and implementation of the survey are commended and they are C. O. Moneke, HOD Real Sector and Household Department, (Retired), Mr. N. B. Nwokoro, Head of Agric. Business Enterprise Statistics Division Mr. Olawale Fasanya, Director, Strategic Planning, Policy and Coordination (SMEDAN) Dr. Friday Okpara, Deputy Director (SMEDAN) and Mrs. Ime E. Andy (SMEDAN).

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Finally, we thank all those whose space would not permit us to mention for their invaluable contributions to the conduct of this survey.

N. G. Oparaku  
HOD (RSHSD)  
NBS



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## ABBREVIATIONS AND ACRONYMS

BMOS	- Business Membership Organisations
AIDS	- Acquired Immune Deficiency Syndrome
BOI	- Bank of Industry
BDS	- Business Development Services
BICs	- Business Information Centres
BPC	- Business Plan Competition
BSCs	- Business Support Centres
CBN	- Central Bank of Nigeria
CCSS	- Challenges Capital Subsidy Scheme
CEO	- Chief Executive Officer
CD	- Compact Disk
CEDP	- Corper's Entrepreneurship Development Programme
CTG	- Cotton, Textile and Garment
CGS	- Credit Guarantee Scheme
EDPs	- Entrepreneurship Development Programmes
ETPs	- Entrepreneurship Training Programmes
EAs	- Enumeration Areas
FBI	- Faith Based Initiative
FSS 2020	- Financial System Strategy 2020
FDI	- Foreign Direct Investment
GEDP	- General Entrepreneurship Development Programme
GHAIN	- Global HIV/AIDS Initiative Nigeria
GDP	- Gross Domestic Product
HOD	- Head of Department
HHs	- Households
HIV	- Human Immune Deficiency Virus
IDCs	- Industrial Development Centres
IID	- Industrial Infrastructure Development
IOM	- International Organisation for Migration
JICA	- Japan International Cooperation Agency
LGAs	- Local Government Areas
MAN	- Manufacturers Association of Nigeria
MDA	- Marketing Development Assistant
MSI	- Medium Scale Industries
MOU	- Memorandum of Understanding

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MSMED	-	Micro, Small and Medium Enterprises Development
MSMEs	-	Micro, Small and Medium Enterprises
MCP	-	Microfinance Certification Programme
MDAs	-	Ministries, Departments and Agencies
NAFDAC	-	National Agency for food and Drug Administration and Control
NASENI	-	National Agency for Science and Engineering Infrastructure
NACCIMA	-	National Association of Chambers of Commerce, Industry, Mines and Agriculture
NASME	-	National Association of Small and Medium Enterprises
NASSI	-	National Association of Small Scale Industrialists
NBTE	-	National Board of Technical Education
NBS	-	National Bureau of Statistics
NDLEA	-	National Drug law Enforcement Agency
NERFUND	-	National Economic Reconstruction Fund
NISH	-	National Integrated Survey of Household
NISE	-	National Integrated Survey of Establishment
NOTAP	-	National Office for Technology Acquisition Promotion
NPOPC	-	National Population Commission
NUC	-	National Universities Commission
NEPC	-	Nigeria Export Promotion Council
NEXIM	-	Nigeria Export, Import Bank
NCFR	-	Nigerian Commission for Refugees
NGO	-	Non Governmental Organisation
OLOP	-	One Local Government One Product
PSL	-	Priority Sector Lending
PPP	-	Private Public Partnership
PAT	-	Profit After Tax
RMRDC	-	Raw Material Research Development Council
RSHSD	-	Real Sector and Household Statistics Department
REDI	-	Rural Enterprise Development Initiative
RUFIN	-	Rural Financial Institute Building
RUWEDEP	-	Rural Women Enterprise Development Programme
SMEDAN	-	Small and Medium Enterprises Development Agency of Nigeria
SMEEIS	-	Small and Medium Enterprises Equity Investment Scheme
SMIDA	-	Small and Medium Industry Development Agency

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SMIEIS	- Small and Medium Industry Equity Investment
SMI	- Small and Medium Enterprises
SME	- Small and Medium Enterprises
SMSEGS	- Small and Medium Scale Enterprises Guarantee Scheme
SEDF	- Small Enterprises Development Fund
SIDBI	- Small Industries Development Bank of India
SIDO	- Small Industries Development Organisation
SSI	- Small Scale Industries
SSI & ARI	- Small Scale Industries and Agro/Rural Industries
SON	- Standard Organization of Nigeria
SFCs	- State Financial Corporations
SIDCS	- State Industrial Development Corporations
SAP	- Structural Adjustment Programme
SAGE	- Students for the Advancement of Global Entrepreneurship
SPX	- Sub-Contracting and Partnership Exchange
TRATOW	- Train to Work
TOT	- Training of Trainers
UK	- United Kingdom
UNHCR	- United Nations High Commission for Refugees
UNIDO	- United Nation industrial Development Organization
USA	- United States of America
WEDP	- Women Entrepreneurship Development Programme
WASME	- World Association for Small and Medium Enterprises
WTO	- World Trade Organisation
YCEDP	- Youth Corpers Entrepreneurship Development Programme
YOU WIN	- Youth Enterprise with Innovation in Nigeria
YEDP	- Youth Entrepreneurship Development Programme

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## 1 EXECUTIVE SUMMARY

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The dearth and paucity of credible and reliable MSME database is one of the main constraints to evolving a strategic action plan towards an efficient and sustainable MSME sector. Consequently, SMEDAN undertook this collaborative survey with the National Bureau of Statistics to produce this National MSME database to aid planning and decision making.

The survey covered business enterprises in Nigeria employing below 200 persons (Micro, Small and Medium Enterprises). The survey was conducted in all the 36 States of the Federation and the Federal Capital Territory, Abuja. The pre-test was conducted in Lagos and Kano states. For micro enterprises (employing 1-9 persons) data were canvassed through the National Integrated Survey of Household (NISH) Schedule. Also rural and urban areas where small (employing 10-49 persons) and medium (employing 50-199 persons) enterprises are located were covered through the National Integrated Survey of Establishment (NISE) Module.

Thirty Enumeration Areas comprising of 3 replicates in which each replicates contain 10 EAs were selected per state and FCT, Abuja. These replicates are subsets of twenty (20) which each state of the Federation and FCT, Abuja had. Ten micro enterprises were systematically selected per EA making a total of 300 micro enterprises visited in each state and FCT, Abuja. For the establishment component, 4,000 small and medium enterprises were visited covering the twelve selected sectors.

In view of the above, therefore, some of the findings of the survey are as follows:

- The total number of enterprises stood at 17,284,671 (micro-17,261,753, small- 21,264, and medium-1,654).
- The initial start-up capital of micro enterprises were predominantly less than fifty thousand Naira, while small and medium enterprises were predominantly less than ten million Naira.

- Lagos state has the highest number of small and medium enterprises (4,535) while Osun state has the least (100).
- Lagos state has the highest number of micro enterprises (880,805), followed by Kano state (872,552), while FCT recorded the least (272,579).
- The main challenges confronting the operations of MSMEs in Nigeria as revealed by the survey are access to finance and poor infrastructure.
- The total number of persons employed by the MSME sector as at December, 2010 stood at 32,414,884.
- The female entrepreneurs accounted for 42.1% in the ownership structure of microenterprises as against 13.57% in small and medium enterprises.
- Most of the entrepreneurs interviewed are not aware of SMEDAN and their services. The beneficiaries of SMEDAN Services are very minimal in virtually all the states.
- Over 70% of the entrepreneurs do not have patent right, hence their intellectual property are not protected.
- The ownership structure by age showed that the age bracket of 24-50 dominates. Hence youth entrepreneurs are dominant.
- The three priority areas of assistance to MSMEs are access to finance, provision of infrastructure and regular supply of power and water.
- Most of the MSMEs are not covered by any insurance policy. That is most of them are not insured.
- The skills gap by sector showed that qualified artisans are readily available in most of the sectors surveyed.
- In terms of average capacity utilisation, most of the MSMEs are operating below optimum capacity.
- Most of the enterprises are operating without a business plan and most of them do not belong to any business membership association.
- MSMEs contribution to the Nation's Gross Domestic Product in nominal terms stood at 46.54% as at the period under review.

**The survey recommended that a strategic action plan to address the six key constraints confronting the sector should be put in place urgently. These constraints are access to finance, weak infrastructure, and inconsistency in government policies, lack of work place, multiple taxation and obsolete technology.**





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## 2 INTRODUCTION

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### 2.1 Preamble

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In a developing economy like Nigeria, Micro, Small, and Medium Enterprises play tremendous role in reengineering the socio-economic landscape of the country. These enterprises largely represent a stage in industrial transition from traditional to modern technology. The variation in transitional nature of this process is reflected in the diversity of these enterprises. Most of the small enterprises use simple skills and machinery as well as local raw materials and technology. Micro, Small, and Medium Enterprises are vital in developing the Nigerian economy for the following reasons: social and political role in local employment creation, balanced resources utilization, income generation, utilization of local technology and raw materials and in helping to promote change in a gradual and peaceful manner.

There is growing realization on the part of the Government that instead of the promotion of large-scale enterprises, it should incentively promote micro, small, and medium enterprises. Until recently, the micro, small and medium enterprises were virtually neglected in the Nigerian Economic Development Strategy. The economic reforms being carried out by the present administration has however placed greater emphasis on micro, small and medium enterprises development through the National Policy on micro, small and medium enterprises. The Government is striving on the creation of an enabling and friendly environment in which Micro, Small and Medium Enterprises would flourish, and entrepreneurial instincts aroused so that the entrepreneurs may get maximum output and rewards from their efforts. Radical liberalization and deregulation have been introduced to make the Nigerian economy progressively market-oriented and integrated with the emerging global economic structure in a sustainable manner.

In view of the above, the Government has realized the importance of this sector as a catalyst for the growth, productivity and competitiveness of the economy. Not only are they the seedbed for wealth creation, employment generation and poverty reduction, they have been recognized as critical breeding and nurturing grounds for domestic entrepreneurial capacities, technical skills, technological innovativeness and managerial competencies for the development of a vibrant and productive economy.

The long-term policy imperative of the country is to achieve inclusive growth. The present socio-economic development challenges confronting Nigeria is exacerbated by the changing demographic profile of the country. The number of unemployed is on the increase, of which the proportion of the educated youth will also continue to rise. Therefore, the need for strong, accelerated economic growth and development are now more acute than ever.

Nigerian's economic growth has been led by the service sector in the last decade, particularly, in the information technology and telecommunication. The agricultural, agro-allied and service sectors offer huge potential for job creation. Moreover, the importance of Micro, Small and Medium Enterprises in the growth process is considered to be a key engine of economic growth and development in Nigeria. Hence, the development and promotion of this sector holds the key to inclusive growth and plays a critical role in Nigeria's future.

## 2.2 Background to the Study

The Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) was established in 2003, to facilitate the promotion and development of the Micro, Small and Medium Enterprises (MSMEs) sector in an efficient and sustainable manner. The Agency is saddled with the responsibility of contributing to the realisation of the Transformation Agenda of the present Administration and the cluster development Approach of the Ministry of Trade and Investment

With the overall objective of reducing poverty through wealth and job creation and facilitating national economic development, the Micro, Small and Medium Enterprise are perceived as the oil required to lubricate the engine of socio-economic transformation. The dearth and paucity of credible and reliable database is one of the main constraints in the development of this sub sector.

In light of the above, the need for an adequate and reliable data base for MSMEs in Nigeria is imperative. Hence the importance of this survey, however, SMEDAN had made concerted effort in the past to build a credible MSME database through private consultants, but the result was not desirable. Due to the absence of a robust MSME database, the Agency could not adequately evolve a strategic plan

and programme towards vibrant and virile MSMEs that will stimulate and trigger economic development in Nigeria.

To address these constraints, the National Bureau of Statistics (NBS) in collaboration with the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) conducted this National MSME Survey. The survey is to produce a credible and reliable MSME database in Nigeria. The pretest was conducted in Lagos and Kano states in March, 2010 through a purposeful sampling.

### 2.3 Objectives of the Study

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The main objective of the survey is to establish a credible baseline data/database for the micro, small and medium enterprises (MSMEs) sector in Nigeria. Other specific objectives are:

- To determine the contribution of micro, small and medium enterprises sector to Gross Domestic Product (GDP) in Nigeria;
- To determine the number of micro, small and medium enterprises in Nigeria by sector and by state;
- To identify the main challenges and constraints confronting the operations of MSMEs in Nigeria;
- To determine the contribution of MSMEs to employment generation;
- To determine the contribution of MSMEs to export;
- To identify the number of MSMEs owned by Women and Men;
- To identify the ownership structure of MSMEs by age;
- To identify the skill gaps within the sector;
- To determine the capacity utilization within the sector;
- To ascertain the top priority areas of intervention and assistance to the sector;
- To identify the financing windows for the MSME sector for raising low cost finance.

## 2.4 Definition

As in developed economies, Nigeria with the introduction of the National Policy on MSMEs has addressed the issue of definition as to what constitutes micro, small and medium enterprises. The definition adopts a classification based on dual criteria, employment and assets (excluding land and buildings) as shown below.

S/N	Size Category	Employment	Assets (=N= Million) (excl. land and buildings)
1	Micro enterprises	Less than 10	Less than 5
2	Small enterprises	10 to 49	5 to less than 50
3	Medium enterprises	50 to 199	50 to less than 500

Source: National Policy on MSMEs

- Micro Enterprises are those enterprises whose total assets (excluding land and buildings) are less than Five Million Naira with a workforce not exceeding ten employees.
- Small Enterprises are those enterprises whose total assets (excluding land and building) are above Five Million Naira but not exceeding Fifty Million Naira with a total workforce of above ten, but not exceeding forty-nine employees.
- Medium Enterprises are those enterprises with total assets excluding land and building) are above Fifty Million Naira, but not exceeding Five Hundred Million Naira with a total workforce of between 50 and 199 employees.

If there exists a conflict on classification between employment and assets criteria (for example, if an enterprise has assets worth seven million naira (N7M) but employs 7 persons), the employment-based classification will take precedence and the enterprise would be regarded as micro.

## 2.5 Relevance of MSMEs

It is evidently clear that the micro, small and medium enterprises could play a catalytic role in the economic transformation of Nigeria. The role includes substantial contribution of the sector to the gross domestic product, employment generation, export, increasing local value addition and technological

advancement. Other measures advanced by the advocates of micro, small and medium enterprises development in the country include:

- i. The low level of capital required in the establishment of the enterprises.
- ii. The large number of the establishment and their labour intensive modes of operation guarantees employment for a large number of persons (labour intensive).
- iii. Inventions, adaptations, and general technological development are common in these enterprises.
- iv. A more equitable distribution of income is usually achieved in this sector.
- v. Industrial diversification and a relatively more balanced regional development are assured.
- vi. The evolution of indigenous enterprise is common amongst these establishments.
- vii. General enhancement of the tempo of industrial development is visible among these enterprises.
- viii. Tendency among these enterprises to become feeders of large-scale enterprises and service products made by the latter.

## 2.6 Structure of the Report

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In order to provide credible and reliable data for appropriate policy prescriptions to strategically reposition the MSME Sector, the report is organised into five chapters. The introductory chapter covers the definitional overview of micro, small and medium enterprises, the background and objectives of the survey. It also provides an insight into the relevance of MSMEs in Nigeria. Chapter two provides an overview of MSMEs in Nigeria, highlighting the pivotal role of SMEDAN in the promotion and development of MSMEs in Nigeria. It also highlights the functions and scorecard of the Agency and some country experiences in MSME development. In chapter three, the survey examines the methodology, highlighting the survey design, coverage and sample.

Chapter four analyses the national survey data with a view to evaluating the challenges and constraints of the sector. The analyses are classified into two sections - Formal Sector (Small and Medium Enterprises) and Informal Sector (Micro Enterprises). Parameters, such as number of enterprises by State and Sector, Start-up Capital, Ownership Status by Sector and Gender, Age of Owners, Contribution to Employment and Gross Domestic Product. The analyses include the assessment of skills and the skill gaps within the sector. Membership of Associations, Business/Personal insurance of entrepreneurs/enterprises, daily

assuage of alternative sources of power, market channels of product/service, business registration, ownership of patent right, major government policy that affect business favourably and unfavourably. Area of assistance required by the entrepreneurs/enterprises, ranking of SMEDAN services received, etc.

Capacity utilization, problem militating against enterprise development in Nigeria were also articulated in chapter four, while chapter five presents the key findings, conclusion and policy recommendations for MSME growth and development in Nigeria.

### 3 OVERVIEW OF THE MSME SECTOR

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#### 3.1 Introduction

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Micro, Small and Medium Enterprises (MSMEs) sector plays a pivotal role through several pathways that goes beyond job creation. They are growth-supporting sector that not only contribute significantly to improve living standards, but also bring substantial local capital formation and achieve high level of productivity of Micro, Small, and Medium enterprises.

In Nigeria, the history of MSMEs dated back more than six decades ago during the colonial era in 1946 with a ten year development plan. The plan was for the then colonial administration to lay groundwork for the welfare and development of Nigeria. But despite the intensions, the colonial administration implicitly had preference for large scale industries in a push for industrialization. During the period, trade, price, tax, and exchange rate policies as well as enabling environment were prioritized in favour of the large firms to pave way for large industries as catalyst for Nigeria's industrialization. Despite these, the large manufacturing sector could not drive the economy. The economy was a buyer's market for outside economies and seller's market for raw materials. Thus the policy of local sourcing of raw materials were hardly pursued as a result easy availability of cheap exchange rate to import foreign components; these situations hampered the development of MSMEs.

The import substitution policy of the post-colonial period posted a picture that tolled the anti MSMEs policy. It emphasised on industries that could undertake mass production of consumer goods. In addition, credit and incentives were granted to industries that could not go beyond first step of producing consumer goods. To attract Foreign Direct Investment FDI, policies such as profit tax holidays, import duty relief which allows firms to import raw designated materials under duty free and concessional arrangements, accelerated depreciation on capital investment and tariff protection. There were also monetary incentives such as the establishment of financial institutions for loans and subsidies. A number of financial institutions were drafted to oversee these arrangements such as, Nigeria Industrial Development Bank, and Nigeria Bank for commerce and Industry.



Generally, both trade and infrastructural policies favoured the large scale industries.

In spite of these incentives, the manufacturing sector remains in comatose. The problem of large scale manufactures was further aggravated by the collapse of the international oil market in the 1980s. The associated unemployment and low capacity utilization created balance of payment problem which forced Nigerian government to seek for a bailout from international credit institutions, International Monetary Fund and World Bank. As one of the pre-conditions and requirements for such credit facilities, the economy embarked on Structural Adjustment Programme (SAP). In other to drive home the policy objectives of the SAP, an inward-looking policy that emphasises the use of local raw materials was introduced to encourage local producers, particularly Small and Medium Enterprises (SMEs).

To harness the potentials of the MSMEs, the sector became particularly a focus of attention during the era of the Structural Adjustment Programme (SAP) in 1986. Thus, the Structural Adjustment Policy of 1986 saw the rising profile of increased number of MSMEs. As form of encouragement, policies were adopted to use the sector as stepping stone for both job creation and industrialization. Industrial development centres, industrial estates, World Bank assisted programmes were put in place to encourage the sector. Various SMEs institutions were also established, small scale industrial scheme, the National Economic Reconstruction Fund, the small and medium scale loan scheme, the people's bank of Nigeria, and National Directorate of Employment were also established. These institutions were however not sustained because they were products of political regimes and went into extinction as soon as the regimes were brought to an end. Moreover, there were no enabling laws to formally establish MSMEs in Nigeria; as they suffered neglects, constraint to effective development, and funds starvation.

To address the problems of access to credits and establish MSMEs as polar axis for Nigeria's industrialization, Small and Medium Industry Equity Investment Scheme (SMIEIS) was initiated by the Central Bank of Nigeria in collaboration with Bankers Committee in June 19, 2001. This was in response to the Federal

Government's concerns and policy measures for the promotion of Small and Medium Enterprises (SMEs) as vehicles for rapid industrialisation, sustainable economic development, poverty alleviation and employment generation. Consequently, on August 21, 2001 the scheme was launched by the Obasanjo administration. The main purpose is to salvage and develop the SME sector, by addressing the problems of limited access to long-term credit; remove burden of interest rate charges; and eliminate other charges associated with normal bank lendings. It requires that all banks in Nigeria develop and package viable industries with private investors and to set aside 10% of their pre-tax profit for equity investment in SMEs. In addition, banks are expected to provide financial, advisory, technical and managerial support for the SMIs in which they have invested. Ten percent (10%) of the fund set aside goes to the microfinance enterprises. Every legal business activity is covered under the scheme (Micro, Small and Medium Enterprises) with the exception of trading/merchandising and financial services.

Given the successful establishment of funding window for MSMEs, it was imperative to take census of the size of MSMEs in Nigeria as a further step towards having efficient funding. In addressing the problems of non-availability of comprehensive information on SMEs, the CBN commissioned Universities in Nigeria to conduct a nation-wide baseline economic study of MSMEs in 2004. The number of persons employed by the SMIs has generally risen over the years. The number employed by small scale industries (SSI) rose from 33,843 at inception to 53,686 at the time of the survey in 2004. Similarly, the number of persons employed by medium scale industries (MSI) increased from 15,308 at inception to 40,130 in the same period.

Several factors were found to be major hindrances to the realization of the SMI in Nigeria. These factors include, production technology, cost structure and financing, entrepreneurship, firm characteristics, management structure, and marketing strategies, poor infrastructures (roads, electricity, energy, communication, manufacturing environment); economic environment (venture capital, fluctuating value of the Naira, etc); production inputs (raw materials, equipment, land, energy, etc); government policies; and political considerations. It

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is the complex interaction of these factors and variables that determines the success or failure of both SMI operations and the attendant public policy interventions.

The current survey is an attempt to conceptually define the size and compositions of the MSMEs, determine the incidence of MSME, identify the problems bedeviling the sector, and possibly identify the finance gap. Formally the size of the MSMEs in Nigeria is estimated at about 17,284,671. The breakdown shows that micro industries constitutes about 17,261,753 or 99.87%, the small enterprises accounted for about 21, 264 or 0.12%, while the medium scale enterprises is about 1, 654 or 0.01%. The size of the micro sector is relatively large and instructive; and could be a reflection of the possibility that certain economic conditions may have either forced small enterprises to go informal or that more unemployed persons are engaged in informal activities.

Several factors may have led to such a huge gap between the micro enterprises and the SMEs. The size of the SMEs firstly is directly related to the definitional scope used. A decrease in the minimum number of employers and capital outlay required for an enterprise to be classified as SME will increase the number of SMEs. Secondly in Nigeria, the informal sector constitutes a very large proportion of the economy. The micro enterprises (informal) are affected by excessive regulation, high cost of entry into formal settings, high level of unemployment, low level of education attainment, poor infrastructural development, and more importantly poverty/low income level.

Harsh economic environment, particularly, poverty and poor infrastructural development must have affected the SMEs and micro enterprises who are the recipients of the vulnerable group from the MSMEs. The rising profile of poverty in Nigeria could have accounted for the low size of SMEs and high size of the micro enterprises – micro enterprises is the balancing sector in the equation of MSMEs. Improvements in economic conditions reduce micro enterprises and increases SMEs, otherwise enterprise falls from SMEs to micro enterprises. In 2004 when similar survey was conducted by the CBN, relative poverty stood at about 54%, but in 2010 poverty level rose to 69%; and by the NBS projection, it is expected to further increase in 2011. In the same period, unemployment was about 13.4% and has risen to 21.1% and 23.9% in 2010 and 2011 respectively. Implicitly, the

chunk of SMEs, may have been forced to fall back to the micro enterprises, as a result of these unfavourable economic conditions, hence the fall in the size of the SMEs.

### 3.2 Recent Efforts by Government to Stimulate the MSME Sector

The Micro, Small and Medium Enterprises Sub-sector has been identified as one of the critical elements to the achievement of the country's vision 20-2020. The sub-sector has been globally acknowledged as the engine that drives the socio-economic transformation of both the developing and developed countries. A nurtured and well structured MSME sector contributes significantly to employment generation, wealth creation, poverty reduction and sustainable economic growth and development.

Various attempts have been made by successive Government to stimulate the growth and development of the MSME sector in Nigeria after many years of neglect. The call for a coordinating Agency for the MSMEs sub-sector dated back to 1987, when a study by the World Bank made the recommendation. Efforts by the Government to actualize it failed until 2003, when the Small and Medium Scale Industry Development Agency (Establishment) Act, enacted by the National Assembly created the Small and Medium Industry Development Agency (SMIDA). The National Assembly passed the SMIDA amendment bill in December, 2004. The Act changed the name of SMIDA to the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN).

The Agency is today, the country's apex institution with the statutory responsibility of facilitating the creation, resuscitation and stimulation of the growth and development of the Micro, Small and Medium Enterprises sector of the Nigerian economy. The establishment of SMEDAN is a giant stride by the Federal Government in repositioning the sector and realigning it into mainstream of the Nigerian economy.

Other recent government efforts to stimulate the sector include the following:

#### **I. The Microfinance Policy, Regulatory and Supervisory Framework for Nigeria.**

The Government through the Central Bank of Nigeria (CBN) launched the Microfinance Policy, Regulatory and Supervisory Framework for Nigeria in 2005.

The policy provided the legal and regulatory framework for microfinance banking in Nigeria. The objective is to create a sustainable and credible microfinance banks capable of mobilizing and channelising funds to the MSME sub-sector. The policy, however, resulted in the establishment of new microfinance banks and the conversion of some existing community banks to microfinance banks. Today, the microfinance banks have provided the financing widow to address the inadequate access to finance confronting the micro and small enterprises in Nigeria.

## **II. The Small and Medium Enterprises Equity Investment Scheme (SMEEIS)**

The SMEEIS initiative was in response to the Federal Government's concerns and policy measure towards the aggressive and radical transformation of the sub-sector through the provision of adequate and cheaper funding. All the commercial banks operating in Nigeria were required to set aside 10% of their profit after tax (PAT) for equity investment in small and medium enterprises in Nigeria. The cumulative sum set aside by the banks under the scheme as at December, 2009 was #42 billion. However, the scheme did not achieve the desired impact as most SMEs were not interested in the equity participation for fear of losing control of their enterprises. Even then, most of them lack the 60% equity contribution which resulted in delay disbursement as the borrowers were deemed to be uncooperative. Also, most SMEs lack proper bankable business plan, marketing strategy, no sound accounting systems and do not run their transactions through the banking system.

## **III. The ₦200 billion Small and Medium Scale Enterprises Guarantee Scheme (SMECGS)**

The scheme was established in 2010 to fast track the development of the sector, set the pace for the industrialization of the economy and increase access to credit by small and medium enterprises and entrepreneurs. The scheme provided guarantees on loans by banks to the sector in order to absorb the risks that had inhibited banks from lending to the sector. The beneficiaries of the scheme are small and medium enterprises with total assets not exceeding #500 million and a labour force of 11 to 300 staff. A maximum amount of #100 million would be

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guaranteed which could be in form of working capital, term loan for refurbishment or equipment upgrade or expansion and overdraft.

#### **IV. The ~~N~~200 billion SME Restructuring/Refinancing Fund**

The Fund was established by the Government through the Central Bank of Nigeria. The purpose of the Fund was for re-financing or re-structuring of bank's existing loan portfolios to the sector. The Fund was sourced from the #500 billion debenture stock issued by the Bank of Industry. However, the main objective of the Fund is to enhance access to credit by the small and medium enterprises and improve the financial position of the commercial banks. The scheme is managed by the Bank of Industry who disburses the Fund to the Participating banks for restructuring of their loan portfolio.

#### **V. The ~~N~~100 billion Cotton, Textile and Garment (CTG) Fund**

The Fund was established by the Government through the Central Bank of Nigeria for on-lending to small and medium enterprises engaged in the cotton, textile and garment value chain. The main objective of the fund is to resuscitate, revive, and set the textile industry on the path of economic recovery, as well as bring back the lost glory of the industry in accordance with the transformation agenda of the Federal Government.

#### **VI. The ~~N~~2 billion NERFUND Facility**

The National Economic Reconstruction Fund (NERFUND) is now being repositioned to contribute to the growth and development of the MSME sector. The Federal Government has recently released #2 billion to the Fund for direct lending to the MSME sub-sector. In disbursing the Fund, NERFUND signed an MoU with SMEDAN and other principal stakeholders within the sector to channel application with a bankable business plan from their clients to ensure adequate outreach. The objective is to stimulate the MSMEs and realign them towards the economic aspirations of the Government.

#### **VII. The ~~N~~5 billion Dangote Fund for MSMEs**

In their determined effort to stimulate the MSME sub-sector, the Government is entering into collaboration and partnership with the private sector. One of such

collaboration is the #5 billion Dangote Fund to the Bank of Industry for on-lending to micro, small and medium enterprises in Nigeria.

#### **VIII. The Counterpart Funding Scheme of the Bank of Industry**

The Bank of Industry has emerged with various strategies and schemes to provide finance to the MSME sector in accordance with her mandate. One of the major challenges facing the Nigerian MSME sector is finance. Finance is considered to be the key driver of any organization. The bank of industry in realization of the importance of finance to the MSMEs has provided adequate access to finance to the sector through its various schemes, especially, their counterpart funding scheme with the state government. Some state governments have provided one billion Naira to the bank for on-lending to micro, small and medium enterprises in such state. The Bank will then match such fund with additional one billion Naira. The scheme has gone a long way in solving the challenge of adequate finance confronting many MSMEs in the various states.

#### **IX. The Youth Enterprise with Innovation in Nigeria (You Win) Programme**

The Youth Enterprise with Innovation in Nigeria (You Win!) Programme is a collaboration of the Ministry of Finance, the Ministry of Communication Technology (CT), and the Ministry of Youth Development that launched an annual Business Plan Competition (BPC) for aspiring young entrepreneurs in Nigeria, in line with the Federal Government's drive to create more jobs for Nigerians. The programme is being implemented in partnership with Nigeria's private sector, who are requested to provide the funding support. The main objective of the Youth Enterprise with Innovation in Nigeria (You Win!) Programme is to generate jobs by encouraging and supporting aspiring entrepreneurial youth in Nigeria to develop and execute business ideas that will lead to job creation. The programme will provide aspiring youth with a platform to showcase their business acumen, skills and aspirations to business leaders, investors and mentors in Nigeria. SMEDAN is the monitoring Agency of the programme. The rationale is to stimulate the MSME sector in accordance with the present administration's economic aspirations in employment generation.

#### **X. Train to Work (TRATOW) Initiative**

The TRATOW Initiative of the Federal Ministry of Trade and Investment is targeted at equipping young Nigerians with the skills required to establish and manage their small businesses. The MSME sub-sector has been experiencing some skill gaps necessary to grow the sector. This initiative will close such gaps and lead to the establishment of new enterprises and the expansion of existing ones. The required vocational, entrepreneurial and managerial skills have been provided. It must be emphasized that many MSMEs lack proper management capabilities and technical and managerial deficits are the main factors militating against the growth and development of MSMEs in Nigeria.

#### **XI. Campaign for Patronage of Made-in-Nigeria Products**

The buy made in Nigeria Products Initiative of the Federal Government is another laudable scheme to stimulate the MSME sector. The campaign has provided adequate market for made in Nigeria products. The initiative has led to the market and marketing of the products/services of the sector through renewed vigor and aggressive strategy in the packaging and quality of the products. It has provided access to market by enhancing the turnover of the MSMEs and making them more competitive.

### **3.3 The Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) Introduction**

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In its continued search for solutions towards a vibrant and virile micro, small, and medium enterprises sector, and to entrench the sector into the main stream of the Nigerian economy, the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) was established in 2003. The Agency is a “one stop shop” for nursing and nurturing micro, small, and medium enterprises in Nigeria. Consequently, the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) has since inception been in the forefront of developing and promoting Micro, Small and Medium enterprises and entrepreneurs in Nigeria.

The mission of SMEDAN is “to facilitate the access of micro, small, and medium entrepreneurs/investors to all resources required for their development.”



The vision of SMEDAN is “to establish a structured and efficient micro, small, and medium enterprises sector that will enhance sustainable economic development of Nigeria.”

### **The Functions of SMEDAN**

The functions of the Agency as enunciated in the SMIDA Act, 2003 are listed below:

1. Initiating and articulating policy ideas for micro, small, and medium enterprises growth and development;
2. Stimulating, Monitoring and Coordinating the development of the MSMEs sector;
3. Promoting and facilitating development programmes, instruments and support services to accelerate the development and modernization of MSMEs;
4. Serving as a vanguard for rural industrialization, poverty reduction, and job creation and thus facilitating enhanced sustainable livelihoods;
5. Linking MSMEs to internal and external sources of finance, appropriate technology, technical skills as well as to large enterprises;
6. Overseeing monitoring and coordinating the development of the MSMEs sector;
7. Promoting and providing access to industrial infrastructure, such as layouts incubators and industrial parks;
8. Providing assistance to MSMEs in marketing their products.
9. Mobilizing internal and external resources, including technical assistance, for the development of MSMEs;
10. Promoting the familiarization, sub-contracting, networking, and crosscutting strategic linkages between MSMEs and other economic sub-sectors;
11. Creating beneficial linkages between MSMEs and research institutes/universities;
12. Providing extension services to MSMEs;
13. Monitoring implementation of government directives, incentives and facilities for MSMEs development;
14. Recommending to government required amendments to business regulatory frameworks for ease of enterprise development.
15. Working in concert with other institutions in both public and private sectors to create a good enabling environment of business in general, and MSMEs activities in particular

## **3.4 THE ROLE OF SMEDAN- INTERVENTION AND STRATEGY**

Conscious of her mandate and the strategic position she occupies in fostering a viable and vibrant MSMEs in Nigeria. SMEDAN is collaborating and partnering

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with the various States and Chambers of commerce in the realization of their goals and objectives. SMEDAN's intervention strategies centre on the following areas:

I. Sourcing, Processing and Disseminating Business Information by creating and regularly updating the Agency's databank on MSMEs, raw materials, markets, available local technologies/machinery, and prototypes.

II. Policy Development

Formulate and ensure due approval and implementation of an MSMEs policy for Nigeria, conduct impact assessment studies and use same to recommend improvements in policy intervention and conduct regular stakeholders' fora.

III. Establish Business Support Centres and Business Information Services (BSCs and BICs)

The centres provide the following services:

- Model business-planning skills
- Mentoring professional services such as Accounting, Financing and Book-Keeping
- Industrial Dynamics and Technology Assessment
- Legal and taxation advisory services
- Demonstration models to private sector service providers
- General business consultation

IV. Capacity Building and Promotional Services

- Vertical linkage of MSMEs with large enterprises
- Organisation of MSMEs into clusters and co-operatives to enhance their productivity and have easier access to factors of production,
- Arrangement/facilitation of trade and technology exposition
- Provision of market support information system
- Encouragement and facilitation of new investments in designated priority areas in each state of the federation

V. Encourage Establishment of Industrial Parks

SMEDAN, through public-private partnership and public-public partnership, is facilitating the establishment of Industrial Parks and Regional MSMEs Development Centres. Each park comes with industrial buildings, and offers

MSMEs common facilities on a cost-sharing basis- security, electricity, water, buying centres, service providers, petrol station, and capital-intensive technologies.

#### VI. Enhance MSMEs Access to Finance

Liaise with financial institutions to harness and pool resources for utilization by MSMEs. Assisting in sharpening their business plans for possible financial assistance from Micro-finance banks and development banks. Constantly liaise with other institutions for the establishment and operation of MSMEs Credit Guarantee Scheme.

#### VII. Networking

We are collaborating with Trade Groups, NGOs, Government Ministries and Agencies, Research and Technological Institutions and Multilateral/Donor Agencies etc to create a dynamic network of stakeholders in the development of MSMEs sub-sector of the economy. The Agency's continued talks on a number of strategic partnerships with both private and public sector institutions to advance the course of MSMEs in Nigeria.

#### VIII. The National Policy on Micro, Small and Medium Enterprises.

In view of the critical importance of an MSME national policy to the sustainable development of the MSME sub-sector, the Agency in partnership with UNIDO have developed a National Policy on MSMEs geared towards the development of MSMEs in Nigeria in a structured and efficient manner.

#### IX. Inculcating Entrepreneurship Education through Entrepreneurship Development Programmes (EDPs)

The Agency have trained many Entrepreneurs in our various EDPs tailored towards the required needs of the beneficiaries. The Programmes include the following:

➤ General Entrepreneurship Development Programme (GEDP).

This programme exposes potential entrepreneurs to the rudiments of starting and managing their business enterprises. The programme has the potential of training and facilitating the establishment of new businesses and the expansion of existing enterprises.

➤ Youth Entrepreneurship Development Programme (YEDP)

The programme is targeted at the youth, which constitute the major part of the population. This programme can train and facilitate the establishment

of youth owned enterprises. The Agency supports the formation of entrepreneurship clubs in primary, secondary and tertiary institutions.

➤ Women Entrepreneurship Development Programme (WEDP)

This is a gender based programme aimed at transforming the Women into successful entrepreneurs. The programme seeks to economically empower the Nigerian Women through conscious engagement and development of entrepreneurial capacities. Over the years, SMEDAN has assisted in the economic empowerment of women. Today, we have many business enterprises owned and managed by women.

➤ Youth Entrepreneurship Development Programme (YEDP)

The programme is targeted at fresh school leavers. Entrepreneurship lectures are organized to prepare them towards business ownership and management. The participants are expected to prepare and submit business plans at the end of the training programme. The business plans are sent to micro-finance banks for financial assistance.

➤ Rural Enterprise Development Initiative (REDI)

This programme is aimed at stimulating entrepreneurship/enterprise development in the rural communities. The rural areas have in abundant natural resources that can generate employment, create wealth and reduce poverty. The Agency is committed in re-engineering rural economic transformation through this programme. It is a cluster based support programmes that provide the capacity towards business ownership and management. Through this programme, the Agency encourages and nudges them into Cooperative Societies and Self-Help Groups and assists them with registration, business plan preparation and access to finance.

➤ Cluster Development

SMEDAN embarked on the strategic action of developing enterprises clusters at different parts of the country. The rationale behind it is that working with MSMEs located within a cluster allows the Agency to impact on a larger group of entrepreneurs towards increased competitiveness. To this end, the Agency commenced Business Development Service with the clusters and assist in the provision of common facility centres.

The list of Clusters SMEDAN had identified and impacted on are:

1. Cane weavers in Lagos

2. Fish and Irrigation farmers Alao in Borno State
3. Cat fish in Calabar
4. Cassava cluster in Taraba State
5. Ginger in Kwoi Local Gov't in Kaduna
6. Shea butter cluster in Agbaeku-eji
7. Black soap cluster in Osun State
8. Aba leather cluster in Aba
9. Women Mat weavers in Ekiti State
10. Abakaliki rice cluster in Ebonyi State

#### X. Seminars, Conferences and Workshops

We have over the years organized seminars, conferences, and workshops to sensitize the public towards being their own bosses as well as inculcating the spirit and culture of entrepreneurialism among the students, youths, and women.

#### XI. Trade Fairs and Trade Exhibitions

We have since inception organized various MSMEs trade fairs and exhibitions to create markets for micro and small businesses in Nigeria.

### 3.5 SMEDAN's Scorecard

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#### 3.5.1 Information, Training, Advisory Services and Business Sensitization

The Agency provided information on raw materials, machinery, general business, advisory services, business sensitization, access to finance, markets and business counselling through our offices and consultants to a total of **29,993** prospective MSMEs in 2010 (see Table 1). Analysis of quarterly activities is as specified below.

Information dissemination was through prints & electronic devices such as The A-Z of Doing Business, What can SMEDAN do for you, SMEDAN at a glance, Information on SMEDAN'S Business Support and Business Information Centres, How to Start a Small Business, and Answers to frequently asked questions (FAQs) regarding starting and Running a Business etc. Distribution channels include the Business Support Centres (BSCs), Business Information Centres (BICs), Head

Office front desk and business clinic sessions, meetings, conferences, workshops, high traffic points such as trade fairs, public institutions, etc.

To date, SMEDAN has a total of 15 Business Support Centres (BSCs) and 37 Business Information Centres (BICs) and we have opened Zonal Offices in the 6 geo-political zones to oversee activities in the states under their Jurisdiction. The BSCs and BICs are institutional channels for delivering SMEDAN services for growth of small businesses in Nigeria. In addition, We have equipped the Zonal Offices to effectively oversee activities of Business Support Centres (BSCs), Business Information Centres (BICs) and Industrial Development Centres (IDCs) for effective service delivery to MSMEs. The zonal offices are located in the 6 Geo-political zones as follows:

Lokoja (Kogi State)	North Central
Bauchi (Bauchi State)	North East
Kano (Kano State)	North West
Yenegoa (Bayelsa State)	South South
Enugu (Enugu State)	South East
Lagos (Lagos State)	South West

### 3.6 Entrepreneurship Development and Education in our Educational System

Today's education should be predicated on the philosophy of creating jobs, i.e. transforming the students from job seekers to job creators. The cardinal objective should be the creation and management of new enterprises. The Agency spearheaded the campaign to ensure that entrepreneurship education is given a pride of place in our educational system. The Agency collaborated with the National Universities Commission (NUC), National Board for Technical Education (NBTE) and the Federal Ministry of Education to promote the inclusion of entrepreneurship in the curriculum of the nation's secondary schools and tertiary institutions in Nigeria. The Agency has visited many Schools and tertiary institutions to sensitize them on business ownership and management. The objective is to inculcate entrepreneurialism into them and changing their mindset.

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## 3.7 Business Development Services (BDS)

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### 3.7.1 ONESIMUS Project

Under the Faith-based Initiative, the Agency intensified its efforts to promote entrepreneurial activities amongst members of various religious groups through provision of entrepreneurship awareness for existing/ prospective entrepreneurs. The Agency trained prison inmates via the collaboration with the Prisons Fellowship of Nigeria, Covenant University and the Nigerian Prison Service for the training of prison inmates on entrepreneurship under the 'Onesimus project'. Within the year, the Agency, under the prisons partnership, trained 23 prison inmates in the kirikiri, Apapa-Lagos prisons and 35 prison inmates in the Keffi, Nasarawa State prisons. The aim of the programme is to empower the inmates to start their own small businesses.

### 3.7.2 Corpers' Entrepreneurship Development Programme (CEDP)

The Agency undertook the sensitization of youth corps members at 23 orientation camps within the 6 geo-political zones in the country. 4,000 corps members were impacted in 2010. The event was aimed at inculcating the spirit of entrepreneurship in the corps members preparatory to a full-fledged capacity building which will empower the corps members to start their own small businesses.

### 3.7.3 Rural Women Enterprise Development Programmes

Despite the huge economic potentials in Nigeria, the rural women are faced with overwhelming challenges that militate against their realization of these huge latent potentials. The exploration and exploitation of these huge latent potentials is the objective of this programme. It is structured to empower the rural women in terms of her socio-economic potentials. The initiative, championed by the Office of the First Lady of Nigeria and driven by SMEDAN has been escalated to cover the entire 36 States of Nigeria with possible assistance/partnership from the World Bank and other reputable international Development Partners. In an attempt to rightly position the rural women to take full advantage of the intervention, SMEDAN has trained rural women groups in twelve (12) pilot States.

Towards ensuring an inclusive and sustainable program implementation, the Agency is working with eight (8) other MDAs i.e Standards Organization of Nigeria (SON), Nigeria Export Promotion Council (NEPC), Bank of Agriculture, National Office for Technology Acquisition and Promotion (NOTAP), National Agency for Science and Engineering Infrastructure (NASENI), Nigeria Export-Import Bank (NEXIM), Raw Material Research and Development Council (RMRDC) and National Agency for Food and Drug Administration and Control (NAFDAC) .

### 3.8 Entrepreneurship Training Programmes (EDPs)

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#### 3.8.1 Capacity building

The Agency trained a total of 78,480 existing business owners and start-ups in 2010 under its various Entrepreneurship Development Programmes (EDPs) such as General EDP, Youth EDP, Corper's EDP (NYSC/SMEDAN/MDG), Women EDP, and other Enterprise Support Services (Training the Trainers). The training was conducted in conjunction with some partnering institutions. These programmes were run at various locations across the 36 States of the Federation. At the end of the training, the business will be expected to be grouped into cooperative society and post training will include packaging the enterprises for BOI loans. The Entrepreneurship Development Programme is necessary to encourage enterprise development in the country, which in turn is expected to trigger entrepreneurial activities among groups and individuals to improve and sharpen their business skills. This will ultimately provide employment for the nation's growing population.

### 3.9 Barry University, Miami, Florida/Africa-Diaspora Partnership for Empowerment & Development (ADPED)/SMEDAN Partnership

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The US State Department under its Young Entrepreneurs Programme Partnered with Barry University's Andreas School of Business, Africa Diaspora Partnership for Empowerment and Development (ADPED) and SMEDAN to run a Nigeria Youth Entrepreneurship Program with the theme: "Connecting People, Creating understanding". The program, aimed at training 20 young existing and potential entrepreneurs after participating in an intensive boot camp in Abuja, was to engender entrepreneurship and business development training to young Nigerians between the ages of 22-35 years. It also sought to promote entrepreneurial thinking, job creation, and business planning and management



skills for emerging young professionals. The training programme for the 20 young Nigerians was undertaken at the Barry University, Miami, Florida between 11th November, 2010 and 8th December, 2010. Within the period under review, based on request, 15 of the 20 young people trained have received funding from the National Economic Reconstruction Fund (NERFUND) and have started their various businesses.

#### 3.9.1 SMEDAN/International Organization for Migration (IOM) partnership

Under this partnership, the Agency trained **44** voluntary returnees in Benin in order to empower them to start their own small businesses. These returnees have since started their businesses.

#### 3.9.2 SMEDAN/Global HIV/AIDS Initiative Nigeria (GHAIN) partnership

Under this partnership, the Agency trained **53** care givers in Abuja and **68** care givers in Sokoto. The aim of the training programme is to build the capacity of individuals so that they would be in the position to effectively take care of people living with HIV/AIDS.

#### 3.9.3 SMEDAN/United Nations High Commission for Refugees (UNHCR)/Nigerian Commission for Refugees (NCFR) partnership

The agency facilitated entrepreneurship training in collaboration with the UNHCR & NCFR targeted at refugees at camps located in Lagos and Ijebu-Ode. 70 refugees were trained in Ijebu-Ode while 68 refugees were trained in Lagos.

#### 3.9.4 SMEDAN/WIDOWS Initiative

Under this initiative, the Agency trained a total of **32** widows in entrepreneurship in Abuja while **13** widows and **9** widows out of this number were trained in poultry keeping and soap making respectively. Within this period, a total of **225** widows were sensitized in Abakaliki, Ebonyi State on entrepreneurship and small business management.

#### 3.9.5 SMEDAN/NDLEA partnership

Within this period, the Agency sensitized 35 people from the NDLEA rehabilitation centre in Bauchi under the partnership.

### 3.9.6 Faith Based Initiative (FBI)

Religion is a powerful mobiliser of men and women and having identified this, a faith based initiative was conceptualized by the Agency so as to trigger and stimulate entrepreneurial activities among the various religion groups in the country. Under this initiative, the Agency has sensitized and trained over 25,880 members of various Faiths including Muslims and Christians. Many of them have started their businesses.

### 3.9.7 SMEDAN/CBN/NDIC/CIBN/Micro Finance Certification Programme (MCP)

Access to finance is a major challenge confronting the operators of the MSMEs. Towards bridging this gap, the Central bank of Nigeria introduced the Micro Finance Policy that guided the establishment of MFBs across the country. As a result of the several hiccups encountered in the operation of the MFBs, there was the obvious need for the capacity building of the operators of the MFBs. This is to enable them understand the workings of the MFBs and even the clients they are to serve. In continuation of the Microfinance Certification Programme (MCP), as part of the overall Microfinance Development Strategy for Nigeria, the CBN approved the commencement of the second level of the training from September 5th - 16th, 2011. The training programme was facilitated by SMEDAN as the Microfinance Training Service Provider (MTSP).

The objective of the certification programme is to continue to build a sustainable skilled labour force for the microfinance sub-sector through the certification of operators and non-executive directors of microfinance banks in Nigeria. A total of 40 persons participated in the programme.

### 3.9.8 SMEDAN/RUFIN Partnership

A four day entrepreneurship training programme was structured and implemented for rural SMEs by Rural Finance Institution Building Programme (RUFIN) and Small and Medium Enterprise Development of Nigeria (SMEDAN) at 12 states: Benue, Nasarawa, Edo, Anambra, Lagos, Oyo, Imo, Akwa Ibom, Bauchi, Zamfara, Adamawa and Katsina States. Three Local Governments in each state was selected for impact with a class size of 40 persons who were representing 20 already existing cooperative groups. This programme was based on the initiative of International Fund for Agricultural Development (IFAD) to outsource the

entrepreneurial component of the RUFIN programme to relevant organizations with the competence to implement its content.

The objective of the training was to sharpen/deepen the knowledge base of its participants to the realities of how to maximize opportunity and to start/manage business successfully. The target sectors were women groups, youth groups, men groups and the physically challenged that are already doing one business or another.

A minimum of 1,440 persons have been impacted with capacity building in entrepreneurship who are leaders or core representative of cooperatives that exist in their different localities who are already doing one business or the other.

### 3.10 Enterprise Linkages, Cooperation & Clustering

Realising the principal role of enterprise linkages, cooperation & clustering, the Agency commenced the identification of Agro and non-Agro allied clusters around the country. This renewed focus has brought a wide range of benefits to MSMEs, such as:

- Increased access to business development services;
- Realization of potentials for economies of scale and improved information flows;
- Improved access to finance and other pertinent resource/ export services.

Other potential areas of benefit the Agency foresees are:

- Pooled sourcing of raw materials;
- Equipment sharing;
- Deeper inter-firm learning and co-operation;
- Linkages of complementary skills to bid for work that would have been beyond their reach as individual units;

The Agency is also perfecting interventions aimed at moving clusters that have benefited from capacity enhancement to address the other identified gaps. Working with NERFUND and Bank of Industry, such interventions have included access to finance to expand and/or create new businesses, credit to acquire common facilities, and encouraging them to form Cooperatives/Associations where none previously existed. The above-mentioned services are available and on-going to Rice, Cassava, Catfish, Leather, Machine Fabricators Automobile,

Waste-to-Wealth, Garment, Tie and Dye, Shea butters, Cane Weavers, and Raffia clusters.

### 3.11 Advocacy and Operating Environment

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The Agency, as the voice of the MSMES in Nigeria, continued its advocacy on behalf of MSMEs. Notable activities during the period under review were collaboration between the Agency and the National Economic Reconstruction Fund (NERFUND), BOI, Central Bank of Nigeria (CBN), and the Nigeria Research Institute for Chemical Technology (NARICT) Zaria, and other stakeholders to explore partnership possibilities in order to advance the course of MSMEs in Nigeria.

The Agency also worked and contributed to the work of different Committees constituted by the Federal Government for the improvement of MSMEs sector namely:

- Financial System Strategy (FSS) 2020
- Inter Ministerial Committee of the 7<sup>th</sup> D-8 Summit held in Nigeria
- Technical Committee on MSME Data Survey: collaboration with National Bureau of Statistics (NBS).
- Presidential Committee on Amnesty
- Campaign for patronage of Made- In- Nigeria Products

### 3.12 Access to Finance

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Aside the collaboration with NERFUND and Bank of Industry (BOI) already discussed (see Enterprise Linkages, Cooperation & Clustering above), the Agency has continued to refer several interested MSMEs with bankable business plans to these financial institutions for finance.

Within the period under review, the Agency reviewed about **500 business plans** submitted by various existing & potential entrepreneurs and forwarded same to Bank of Industry (BOI) and the National Economic Reconstruction Fund (NERFUND) for the provision of finance.

The Agency also worked with the office of the Special Assistant to Vice President on SMEs to involve all Stakeholders in the review of the National Credit Guarantee Scheme draft document for MSMEs.

### 3.13 National Policy on MSMEs

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SMEDAN has produced a National Policy for the MSME sector. The thrust of the National Policy is to provide an enabling environment for micro, small, and medium enterprises to grow and increase competitiveness on both local and global markets. This is anchored around a number of key principles, namely: policy regulation, credit and complementary financial services, information and business development services, market development, Research and Development, legal and regulatory issues.

The Agency embarked on stakeholders' retreat on the review of the Policy within the six (6) geo-political zones for the purpose of gathering stakeholders' input into the review process. The retreats were well attended and were held as follows:

- South East (Enugu)
- North East (Bauchi)
- North Central (Minna)
- North West (Kano)
- South West (Lagos)
- South South (Port Harcourt)

The inputs of the stakeholders will be subjected to validation workshops across the geo-political zones within the first quarter of 2012. Final draft will be forwarded to the Honourable Minister for further polishing and processing.

### 3.14 Conversion of the IDCs to Clusters

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Consequent upon the handing over of the Twenty Four (24) Industrial Development Centres (IDCs) to the Agency and the Federal Ministry of Trade and Investment directive that they should be made functional on a sustainable basis for the benefit of MSMEs and emergence of viable clusters. A Project Delivery Team (PDT) was constituted on 21<sup>st</sup> February, 2011. The constitution of the PDT is part of the effort to convert the Industrial Development Centres into World Class Cluster Parks through Public - Private Partnership. The membership of the PDT includes:

- i. Federal Ministry of Trade and Investment
- ii. Small & Medium Enterprises Development Agency of Nigeria (SMEDAN)
- iii. Infrastructure Concession and Regulatory Commission (ICRC)

iv. Raw Materials Research and Development Council (RMRDC)

A Steering Committee had been constituted to provide policy guidelines and general direction to the Project Delivery Team. Membership of the Steering Committee shall include; SME Department of the Vice – President Office, Federal Ministry of Commerce and Industry, Nigeria Export Import(NEXIM) Bank, Raw Materials Research and Development Council(RMRDC), Bank of Industry(Bol), Manufacturers Association of Nigeria(MAN) and representatives of Business Membership Organizations(BMOs).

The project Delivery Team, recently conducted assessment visits to the IDCs. Based on the outcome of the exercise, the Agency in collaboration with the Infrastructure Concession Regulatory Commission (ICRC) shall engage the services of reputable Consultants to function as Outline Business Case (OBC) Advisors for the Industrial Development Centres in order to determine their respective viability. The IDCs locations being considered are as follows:

- i. Idu, FCT – Abuja
- ii. Zaria, Kaduna State
- iii. Bauchi, Bauch State
- iv. Oshogbo, Osun State
- v. Owerri, Imo State
- vi. Port – Harcourt, Rivers State

3.14.1 Job creation through access to credit: Collaboration with Bank of Industry (BOI) on Osun East Senatorial District Micro Credit Scheme

The Agency entered into partnership (via a Memorandum of Understanding) with the Bank of Industry (BOI) for the implementation of the **N50 million** Osun East Senatorial District Constituency Micro Credit Scheme Project in 2010. The scheme was designed to develop SMEs using Cooperative Society structures through Micro Credit Revolving Scheme. The disbursement of the loans is usually preceded by entrepreneurship training. Within the period under review, 10 (ten) cooperative societies benefited from this scheme at the rate of between N3 million and N5 million per society. Indeed, some of the cooperative societies have started repaying the loan. As a follow-up to this initiative, the Agency has written to all distinguished Senators and Honourable Members of the House of

Representatives requesting them to utilize their constituency projects towards developing the MSMEs sector along this platform.

#### 3.14.2 SMEDAN/Students for the Advancement of Global Entrepreneurship (SAGE) partnership

The Agency co-sponsored and provided training for the participation of Zamani International College, Kaduna and Junior Secondary School, Jikwoyi, Abuja at the **SAGE world competition held in New York, USA between July 22-26, 2011**. The two schools won the first position in two different categories.

#### 3.15 Collaboration with Japan International Cooperation Agency (JICA) on One Local Government One Product (OLOP) Programme:

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The One local Government One Product (OLOP) is collaboration between the Federal Government of Nigeria (represented by the Federal Ministry of Trade and Investment) and the Japanese Government through Japanese International Cooperation Agency (JICA). The primary objective of the initiative is to provide policy options and institutional framework for implementing the OLOP programme in Nigeria in order to revitalize rural communities through the development of local businesses. The programme is targeting the development of selected agro and allied products along cluster lines. The Pilot Projects had been implemented in Kano and Niger states. Three clusters among three products were developed in each of the two pilot states. The products are rice, leather and groundnut oil for Kano State while yam, Shea butter and groundnut oil are for Niger State. The pilot draft final report (DFR) had been presented to stakeholders at a seminar held in October 2011. The final report is expected to be presented by the Japan International Cooperation Agency (JICA) before the year runs out. Consultation has continued with all States and Local Governments to tidy up for the full blown proposal/scheme to be flagged off at a date agreed for national implementation.

#### 3.16 Implementation of the Sub-Contracting and Partnership Exchange (SPX): a SMEDAN/UNIDO Collaboration

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The Agency signed a Memorandum of Understanding (MOU) with the United Nations Industrial Development Programme (UNIDO) on the Sub-Contracting and Partnership Exchange (SPX) Programme. The Programme is a unique enterprises-linkage tool by UNIDO for promoting investments, sub-contracting, out-sourcing

and match making for products and enterprises in the MSME sector. It links the MSME sub-sector in a host country to a credible global database of manufacturing concerns that is beneficial to both manufacturers and buyers of goods both within and outside the country. UNIDO is to provide technical assistance while the Agency provides office space, furniture and human resources. In line with this, the Business Support Centre (BSC) Matori, Lagos is hosting the SPX Project. **UNIDO commenced the Nigeria investor Survey which will feed into the overall Africa Investor Survey and provide the parameters for the operations of the SPX programme. The programme commenced with the capacity building of SPX staff.** The Agency has concluded the profiling of companies in Lagos and the pilot run will start early in the New Year.

### 3.17 Collaboration with Ondo State Government on Akure IDC:

The Agency is collaborating with the Ondo State Government on the Industrial Development Centre (IDC), Akure. A Memorandum of Understanding (MOU) was signed between the Agency and Ondo State Government for this purpose. During the period under review, the State Government reactivated the existing machines and even went ahead to buy new machines/equipment. The various workshops were renovated for the intake of a new set of trainees into the various trades. The vocational skills training were complemented by the delivery of entrepreneurship training. The Agency intends to use this partnership to showcase the efficacy of public-public-partnership (PPP) in the resuscitation and management of public infrastructure for the development of the MSMEs sub-sector and its resultant job creation capacity in Nigeria.

### 3.18 Peter Akinola Foundation Collaboration:

The Agency is into collaboration with Peter Akinola Foundation on the upgrading and use of the Industrial Development Center (IDC), Abeokuta. We arrived at a major conclusion for the two parties to enter into a Memorandum of Understanding (MOU). The MOU has been signed and renovation work is on-going at the instance of Peter Akinola Foundation. Training is expected to start in the 1<sup>st</sup> quarter of 2012.



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### 3.19 Industrial Project Profile on Sachet Water Production

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The Agency has been working on developing an Industrial Project Profile on sachet water production. During the period under review, the Agency obtained field data and completed the draft Industrial Project Profile, ready for presentation for dissemination to prospective investors.

The existence of SMEDAN is to prepare and equip the Nigerian Entrepreneurs of today-and tomorrow- to meet the challenges and complex demands associated with the global dynamics and business environment. The significant way of achieving this is through the stimulation and facilitation of the development of Micro, Small and Medium Enterprises in Nigeria.

### 3.20 Some Country Experiences in MSME Development

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In this section, the study reviews MSMEs in some economies; with emphasis on some emerging market economies that are examples of complete success story in industrial revolution. Not only are these countries a benchmark for Nigeria's economic development drive, but have strong trade relations with Nigeria - a situation that has implication for the vision 20:2020 policy agenda.

#### 3.20.1 China

In China, MSMEs account for 60% of industrial output, 55% of its GDP and 75% of employment. The most remarkable aspect of China's small and medium enterprises is their rapid growth despite their inability to tap the official financial system. Two factors predispose even faster development in the near term. One is their suitability for the post-WTO accession economy. MSMEs in China will continue to thrive as more responsive partners of foreign companies than large state firms. They will also have the opportunity to move into market segments once dominated by state firms. The other factor is that the policy environment for MSMEs appears to be improving steadily. The MSME Promotion Law will help, especially if it leads to better access to bank lending, as would improvement, in and expansion of the credit guarantee system. An important indicator to will be whether the 16th Party Congress builds on the progress made at the previous two Congresses in fostering an ideological framework conducive to MSMEs.

An MSME promotion law has been instituted codifying the official definition of SMEs and clarifying what support government will be making available to them and in the 1990s the Government created a network of credit guarantee agencies for MSMEs which ensures loan repayment to banks and assisting them in relaxing their financial constraints.

### 3.20.2 India

India has one of the most successful and well developed MSMEs in the world, and headquarters of World Association for Small and Medium Enterprises (WASME). There are three important phases that characterised the development of the Micro, Small and Medium enterprises in India. The first phase was the periods 1948 to 1991; second phase the periods 1991 to 2006; and the third phase the periods from 2006 till date.

The periods 1948 to 1991 provided the supportive measures that nurtured the sustenance and future growth of MSMEs, in the form of reservation of items for their exclusive manufacture, access to bank credit on priority through the Priority Sector Lending Programme of commercial banks, excise exemption, reservation under the Government Purchase Programme and 15% price preference in purchases, infrastructure development and establishment of institutes for entrepreneurial and skill development. MSME – Development Institutes [earlier known as Small Industries Service Institute (SISI)] were set up all over India to train youth in skills/entrepreneurship. Tool Rooms were established with German and Danish assistance for providing technical services essential to MSEs as also for skill training. At the State level, District Industries Centres were set up all over the country.

In all the policy resolution within these periods, recognition was given to the MSMEs, termed as an effective tool to expand employment opportunities, ensure equitable distribution of national income and facilitate effective mobilization of private sector resources of capital and skill. Thus, to ensure the growth and sustenance of the scheme the Micro, Small and Medium Enterprises Development Organisation [earlier known as Small Industries Development Organization (SIDO)] was set up in 1954 as an apex body for sustained and

organised growth of micro, small and medium enterprises. Many of the older restrictions on business ownership were removed and fewer clearances are now required for foreign partnership and direct investment.

In the second phase, government introduced a new Policy for Small, Tiny and Village Enterprises in August, 1991. The policy laid the framework that replaced protection of the sector with competitiveness so as to infuse more vitality and growth to MSEs in the face of foreign competition and open market. Supportive measures concentrated on improving infrastructure, technology and quality. Testing Centres were set up for quality certification and new Tool Rooms as well as Sub-contracting Exchanges were established. The Small Industries Development Bank of India (SIDBI) and a Technology Development and Modernisation Fund were also created to accelerate finance and technical services to the sector. A Delayed Payment Act was enacted to facilitate prompt payment of dues to MSEs and an Industrial Infrastructure Development (IID) scheme was launched to set mini industrial estates for small industries. 1999 onwards: The Ministry of MSME [formerly known as Ministry of Small Scale Industries and Agro & Rural Industries (SSI & ARI)] was established in 1999 to provide the needed attention for the development and promotion of the sector.

To address the challenges of finance (particularly access to credit), infrastructure, technology and marketing, a new policy package was introduced in August 2000. Two credit-linked programmes were introduced to address these challenges, Capital Subsidy Scheme (CCSS) launched to upgrade the existing technology in the sector and a Credit Guarantee Scheme (CGS) to provide collateral-free loans, particularly the first generation entrepreneurs. The exemption limit for relief from payment of Central Excise duty was raised to \$0.25 million and a Market Development Assistance Scheme was introduced. In consultation with stakeholders, the list of products reserved for production in the MSE sector was gradually reduced each year.

The year 2006 was remarkable and marked the solidification of the existing policies on MSMEs. The Micro, Small and Medium Enterprises Act was passed in 2006 to facilitate and fast track development and ensure competitiveness of these enterprises; and in March, 2007, a third Package which sought the

promotion of Micro and Small Enterprises in view of the fast changing economic environment was announced.

The Act is the first legal framework for recognition of the concept of “enterprise” comprising both manufacturing and service entities. It defines medium enterprises for the first time and seeks to integrate the three tiers of these enterprises, namely, micro, small and medium.

It among other things provided for:

- a) establishment of specific Funds for the promotion, development and enhancing competitiveness of these enterprises;
- b) progressive credit policies and practices, preference in Government procurement to products and services of the micro and small enterprises; and
- c) more effective mechanisms for mitigating the problems of delayed payments to micro and small enterprises and assurance of a scheme for easing the closure of business by these enterprises.

There are also other implicit provisions in the act which are either reduced or done away with as a result. They include:

- d) With the 2006 Act, the Foreign Direct Investment (FDI) Policy which provides for restrictive 24% ceiling for equity holding by industrial undertakings, whether domestic or foreign, in the MSEs has been done away with and MSEs are defined solely on the basis of investment in plant and machinery (manufacturing enterprises) and equipment (service enterprises).
- e) To encourage further investments for technological up-gradation and higher productivity in the sector, about 654 items have been taken off the list of items reserved for exclusive manufacture by the manufacturing micro and small enterprises- reducing it to 21 at present. This has paved way and furthered the scale of operations of larger enterprises in the manufacture of these products in keeping with the global best practices and standards.
- f) Priority is now given to existing credit/finance policy for the MSMEs. Part of the existing credit policy include:

- i. Priority Sector Lending (PSL):- under PSL scheme 40% of the net public and private bank net credit is earmarked for the priority sector, while 32% of the foreign banks net credit is set aside for the priority sector, of which 10% is for the MSE sector. In addition any shortfall in such lending by the foreign banks has to be deposited in the Small Enterprise Development Fund (SEDF) to be set up by the Small Industries Development Bank of India (SIDBI).
- ii. Institutional Arrangement:- The institutional arrangement is such that the Small Industries Development Bank of India (SIDBI) is the principal financial institution responsible for promotion, financing, development of the MSE sector, and coordinates the functions of institutions engaged in similar activities. Its major operation involves, refinance assistance, direct lending, and development and support services. Commercial banks also play important complementary roles as channels of credit dispensation and financing the working capital requirements, besides providing term loans (in the form of composite loans). At the sub-national level, State Financial Corporations (SFCs) and twin-functional State Industrial Development Corporations (SIDCs) are the main sources of long-term finance for the MSE sector.

Soon after the 2006 MSMED Act, government introduced various policies to further the development of the sector. The following are some of the policies:

- National Manufacturing Competitiveness Programme initiated by the National Manufacturing Competitiveness Council in 2007-2008. The objective of the scheme is to develop global competitiveness among Indian MSMEs.
- Export promotion from the MSE sector to help MSEs in exporting their products. It involves the use of facilities or incentives such as, display of products of MSE exporters in international exhibitions; Government reimbursement of expenditure incurred by the MSEs; acquainting/familiarising MSE exporters with latest packaging standards, and techniques; training programme on packaging for exporters are organised in various parts of the country in association with the Indian Institute of Packaging; and providing the MSE with assistance for

participation in overseas fairs/exhibitions under Marketing Development Assistance (MDA) Scheme, overseas study tours, or tours of individuals as member of a trade delegation going abroad.

- There was also full excise exemption up to turnover of \$375 thousand per annum provided to enterprises having annual turnover of up to \$1 million under the General Excise Exemption Scheme. However, the limits of excise exemptions have encouraged tendency among MSEs to go in for horizontal expansion (i.e. fragmentation) rather than vertical expansion and upward graduation into medium and large enterprises. For incentivising such graduation of small to medium/large enterprises so as to enable them to achieve economies of scale, extension of excise exemptions to the graduating medium enterprises on a tapering scale is under consideration of the Government.

With these supports and incentives in place, India has been able to unleash the potentials of its MSMEs. In 1994 MSMEs contributed about 94% to the total number of industrial establishment and about 31% of industrial employment. In terms of output it accounted for about 40% of industrial output, equivalent to 35% of industrial value added. Currently, it is estimated that the sector accounts for about 39% of the manufacturing output and around 33% of the total export of the country. Furthermore, in recent years the MSE sector has consistently registered higher growth rate compared to the overall industrial sector. The major advantage of the sector is its employment potential at low capital cost. Available official estimated statistics shows there about 3.6 million MSMEs granted permanent registration in India an increase of about 78.5% from about 2.0 million in 1995. It employs an estimated 31 million persons spread over 12.8 million enterprises and the labour intensity is estimated to be almost 4 times higher than the large enterprises.

### 3.20.3 United Kingdom

The UK has a well developed MSME sector -99.9% of businesses are SMEs providing 54.1% of employment and contributing over 50% of the country's annual GDP. There are 3.7 million MSMEs in the UK, that is, one enterprise for every ten people of working age. From 1983 to 1988, the British Government

administered a credit guarantee scheme of 750 million pounds in business expansion and tax relief to entrepreneurs in quoted companies; and effectively linked MSMEs with appropriate technologies and educational institutions. 19,000 MSMEs benefited from the program.

#### 3.20.4 South Korea

The Korean government initially placed the burden of industrial development on the giant industries, but over time the government realized the importance of a dynamic, flexible and efficient MSME sector that can provide specialized subcontracting services to the large firms. Laws were passed to promote MSMEs, leading to a perceptible rise in their share of economic activity. The system of policy support was crucial to the reversal in their performance. The policy options covered the setting up of specialized banks to finance MSMEs and the promotion of subcontracting by large-scale industries.

#### 3.20.5 Taiwan

There are about 700 thousand MSMEs in Taiwan, accounting for 70% of employment, 55% of GDP and 62% of total manufactured exports. The industrial structure is dominated by MSMEs and programs to promote subcontracting have been of special significance of the country's industrial development.

In 1982, the government set up the Medium and Small Business Administration to coordinate the efforts of several support agencies that provided financial, management, accounting, technological and marketing assistance to the MSMEs. The Taiwan Medium Business Bank, the Bank of Taiwan, the Small and Medium Business Credit Guarantee Fund, and the Small Business Integrated Assistance Centre also provide targeted financial assistance to MSMEs.

In Taiwan, a large number of small and medium sized enterprises specialize in a variety of skilled intensive and flexible operations aimed at world markets but most are too small to conduct their own research and development. The government helped them with a range of technological support measures:

- One of the most important has been to transfer to MSMEs, production-ready technology that the government has imported and adapted.

- There is development in the use of MSMEs to implement local content measures, but more effective have been measures to raise the efficiency of local firms through programs of technical assistance and quality enhancement.

A number of institutions were set up to provide credit, technology and marketing assistance. The China Productivity Centre is the best known for its efforts to promote automation in industry to cope with rising wages and increasing needs for precision and quality.



## 4 METHODOLOGY

### 4.1 Survey Design for the Study

In order to build a consistent and reliable database for evaluating the impact of policies and government programmes in developing appropriate responses, it is important to give a clear definition of Micro, Small and Medium enterprise. Individual countries' circumstances determine how MSME is being defined in that country for instance some countries define it (MSME) by the total assets, others by employment, turnover, or paid-up capital.

However, in Nigeria, the current classification is based on the number of employees and assets (excluding land and buildings).

Sector	Micro	Small	Medium	Large
Employment Band	< 10	10-49	50-199	200 and above

In practice, the number of employees is the most common standard used in National SME policies worldwide. The criteria/ classification to be adopted for this survey is as stated above.

### 4.2 Survey Objectives

The main objective of this survey is to establish a credible database for the Micro, Small and Medium Enterprises (MSME) sub-sector in Nigeria so as to provide infrastructure that will stimulate and trigger the growth and development of the sector in accordance with SMEDAN's mandate.

Other Objectives are:

- 1 To determine the contribution of Micro, Small and Medium enterprises (MSMEs) sub-sector e.g. manufacturing, building and construction etc. to GDP in Nigeria
- 2 To determine the number of Micro, Small and Medium Enterprises (MSME) in Nigeria on the basis of geopolitical zones, states and LGAs
- 3 To identify the challenges and constraints facing the operation of Micro, Small and Medium enterprises in Nigeria

- 4 To identify the number of people employed in the MSMEs sub - sector
- 5 To identify the number of MSMEs owned by women and men towards gender equity
- 6 To identify the ownership structure of MSMEs within age bracket
- 7 To determine the number of MSMEs by categories and sizes
- 8 To identify the number of MSMEs that are not registered
- 9 To determine the growth rate of MSMEs
- 10 And lastly, to identify the number of clusters in Nigeria

### 4.3 Coverage

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The survey was conducted in all the 36 states of the Federation and the Federal Capital Territory (FCT), Abuja. For household component, both urban and rural enumeration areas (EAs) with Micro enterprises were canvassed through the National Integrated Survey of Household (NISH) schedule. Also, rural and urban areas where small and medium enterprises are located were covered through the National Integrated Survey of Establishment (NISE) module.

### 4.4 SCOPE

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The subject areas covered in the two (2) modules among others include:

- a. Holding identification
- b. Business Status
- c. Free Entry and Competition
- d. Input, Output, Expenditure and Receipts
- e. Technical Support Services/Enterprises growth
- f. Level of employment
- g. Educational Qualification of workers
- h. Total revenue/Turnover
- i. Capacity Utilization
- j. Inventory
- k. Production
- l. Source of working capital etc.

### 4.5 Sample Design

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The frame of Enumeration Areas (EAs/Clusters) of 2006 Housing and Population Census conducted by the National Population Commission (NpopC) were used.

However, the National Integrated Survey of Households (NISH) which is the vehicle for conducting all household based surveys in NBS, the 2007/2012 edition were adopted for Household component where the Micro enterprises households were selected. Likewise, the frame of Small and Medium enterprises with the Agric and Business Enterprises Statistics Division of NBS were used for the establishment component. Thirty (30) EAs comprising of 3 replicates in which each replicate contain 10 EAs were selected per state and FCT, Abuja. These replicates are sub-sets of twenty (20) which each state of the federation and FCT, Abuja had. It should be noted that the 3 replicates were different from state to state depending on the concentration of Micro Enterprises in the states. Furthermore, ten (10) Micro enterprises were systematically selected per EA making a total of 300 Micro enterprises to be visited in each state and FCT, Abuja. This sample is large enough to give a robust estimate at the state level. However, Zonal and National estimates were aggregated.

For the establishment component, 4000 Small and Medium enterprises were visited. The 12 sectors and sub-sectors covered include:

- Manufacturing
- Wholesale and Retail trade
- Hotel and Restaurants
- Mining and Quarrying
- Building and Construction Real Estate, Renting and Business activity
- Financial Intermediation
- Health and Social works
- Organized road transport, storage and communication
- Other Community, Social and Personal service activities
- Educational Services and
- Agriculture (Corporate Farms)

The criteria used to select the enterprises with non-zero probabilities include employment size, contribution to the Gross Domestic Product (GDP), a priori knowledge of the performance of the sectors in the economy and response status of the enterprise.

#### 4.6 Pretest

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A pretest was carried out to test the adequacy of the survey instruments i.e. Questionnaires and instruction manual. It was also, used to test the field logistics and it helped to prepare for the main survey. The coverage for the pretest was two (2) states i.e. Kano (North) and Lagos (South).

#### 4.7 Survey Instrument

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A generic questionnaire was adopted for both micro and the formal enterprises to allow easy administration of the questionnaire in the field. A very comprehensive manual of instruction that explained in details all that were required to fill the questionnaire properly were adopted and It also served as reference materials for the field staff.

#### 4.8 Training for Fieldwork

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There were two (2) levels of training, the 1st level, the training of trainers (TOT) and the 2nd, the zonal training.

The 1st level training was the training of trainers (TOT) and it was held at NBS Headquarters, Abuja. The training comprised of trainers (24), monitoring officers (37) and coordinators (12). In all, 55 officers were trained. The training lasted for one (1) day.

The 2nd level training was held at the six (6) NBS zonal offices. The trainees include: Interviewers (348), Supervisors (114), State Officers (37) and Zonal Controllers (6) The training lasted for one (1) day as well.

The distribution of states to zones of the 2nd level training was thus:

NORTH CENTRAL: Niger, FCT, Benue, Plateau, Kogi, Nasarawa

NORTH EAST: Gombe, Bauchi, Borno, Adamawa, Yobe and Taraba

NORTH WEST: Kaduna, Kano, Kebbi, Sokoto, Jigawa, Katsina and Zamfara

SOUTH EAST: Enugu, Abia, Anambra, Ebonyi, Imo and Delta

SOUTH SOUTH: Cross Rivers, Rivers, Bayelsa, Akwa-Ibom

SOUTH WEST: Oyo, Ondo, Osun, Ekiti, Lagos, Ogun, Kwara and Edo

The underlined and coloured states were the zonal training centres

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## 4.9 Fieldwork Arrangement

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### 4.9.1 For Household (Micro) Enterprises) component

A team comprises of two (2) interviewers and one (1) supervisor in each of the states of the federation and Abuja (FCT). Given that each interviewer will complete between 6-8 questionnaires per day, the fieldwork was completed within thirteen (13) days including travel time within enumeration areas.

### 4.9.2 Formal (Small and Medium Enterprises) Component

Since 4,000 formal enterprises were visited nationwide, a total of 200 interviewers were deployed in addition to 40 supervisors. The work load in each state varies depending on the number of formal enterprises allocated to the state. Each interviewer lodged and retrieved between 4-6 questionnaires, the fieldwork was completed within thirteen (13) days including callbacks.

### 4.9.3 Monitoring of Fieldwork

There were two (2) layers of monitoring exercises. The first layer involved the NBS State Officers and Zonal Controllers. This took place immediately after the commencement of the fieldwork and it ran throughout the data collection period. The second layer monitoring exercise involved the NBS/SMEDAN headquarters staff; it was organized in such a way that it coincided with the end of the fieldwork. It lasted for four (4) days and thirty-seven (37) officers were involved.

### 4.9.4 Coordination

High level senior staff of NBS/SMEDAN coordinated the activities of the survey. Activities coordinated include Zonal Training and Fieldwork. Twelve (12) Coordinators were involved while coordination lasted two (2) days.

### 4.9.5 Retrieval

All completed questionnaires were properly edited and returned by the monitoring officers to NBS Headquarters in Abuja for data processing. Records were batched enumeration area by enumeration area and sector by sector.

## 4.10 Data Processing

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Data processing and analysis were carried out at NBS Headquarters, Abuja

These involved system development, Data Editing, Data Entry, Data Cleaning and Table Tabulation/ Generation.

#### 4.11 Report writing

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A committee made up of NBS/SMEDAN staff wrote the report. The report is written in a very simple language devoid of technical terminology for easy understanding and to make it useful to the Users, Policy Makers, Planners, Researchers, development partners, etc.

#### 4.12 Documentation/Dissemination/Archiving

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The data management toolkit was used to Document and Disseminate data. A day dissemination workshop was held to discuss the results/findings with the principal stakeholders within the MSME sectors. The results will be published and written on CD and hosted on NBS and SMEDAN websites for further dissemination thereafter.

## 5 DATA ANALYSIS: THE FORMAL SECTOR – SMALL AND MEDIUM ENTERPRISES

### 5.1 The Formal Sector – Small and Medium Enterprises

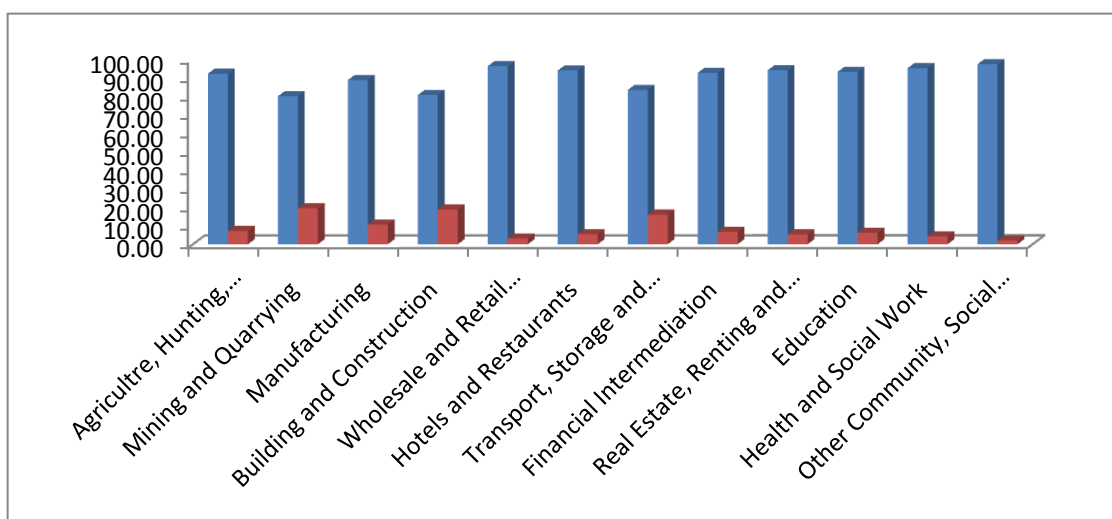
#### 5.1.1 Number of Small and Medium Enterprises by State

Table 3<sup>1</sup> in the Appendix reveals that 92.8 per cent of the enterprises are between 10-49 employees while 7.22% are between 50–199. Bayelsa, Osun and Zamfara states have hundred percent enterprises in the employment size band 10-49. While other states and (FCT) Abuja have more than fifty percent in same interval. Only eight states have more than ten percent enterprises in interval 50-199 employees. Other states and (FCT) Abuja have less than ten percent.

#### 5.1.2 Total Number of Small and Medium Enterprises by Sector

Table 4 shows that, manufacturing sector has the highest number of enterprises. Followed by Wholesale and Retail Trade, Repairs of motor vehicles and household goods. All sectors in 10-49 employees have above fifty per cent enterprises. While in 50-199 employment size band, only four sectors have ten percent and above enterprises. Other enterprises have less than ten percent in the employment size band.

Figure 1 Total Number of Small and Medium Enterprises by Sector



<sup>1</sup> Please note that Table 2 to Table 102 can be found in the Appendix of this report.

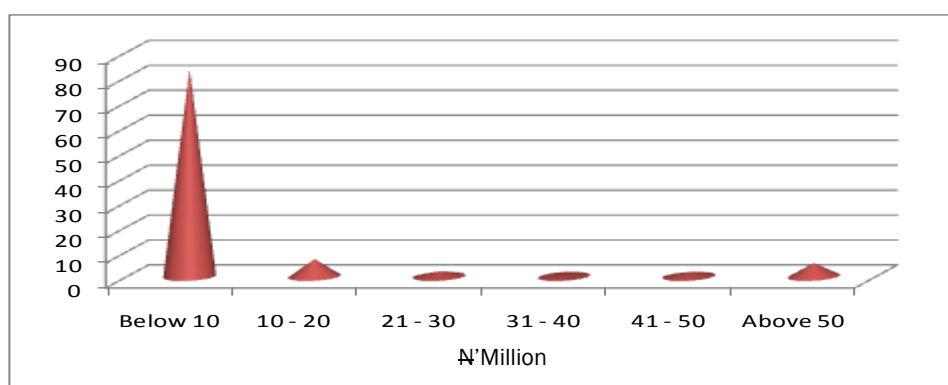
### 5.1.3 Number of Enterprises by State and Sector

Table 5 shows that manufacturing sector has the highest number of enterprises followed by Wholesale and Retail Trade; Repair of Motor Vehicles and Household goods 6,652 and 4,041 respectively. The table further reveals that on state basis Lagos, Kano, Oyo and Anambra have the figures in the manufacturing sector. See table 4.1.3 in the appendix.

### 5.1.4 Start-Up Capital by Enterprise

Table 6 reveals that 83.2 per cent of the enterprises have initial start-up capital below ₦10 million, while 7.0 per cent of the enterprises have initial start-up capital between ₦10-₦20 million. Above 50 million ranked third with 5.4 per cent. The least number of enterprises had the start-up capital in ₦31-₦40 million naira with less than one per cent (precisely 0.7 per cent).

Figure 2 Start-Up Capital



### 5.1.5 Start-Up Capital by Sector

Table 7 shows that, the initial start-up capital of below ₦10 million as at December 2010 recorded the overall average of 83.2 per cent. While by sector, financial intermediation enterprises recorded 59.3 per cent being the least in the category. In other four categories, the sector recorded 15.7 per cent in ₦10-₦20 million, 5.6 per cent in ₦21 - ₦30m, 0% in ₦31-₦40 million 5.6 per cent in ₦41 - ₦50 million and above N50 million 13.9 percent.

### 5.1.6 Total Capital as at December 2010 by State

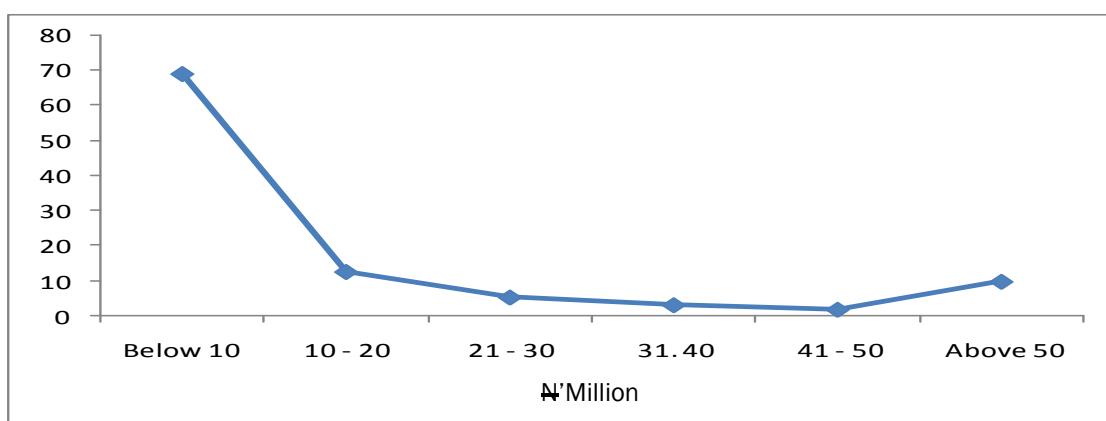
Table 8 reveals that 68.9 per cent of the small and medium enterprises have the total capital below ten million naira as at December 2010 in the country. Further



study of the table, shows that enterprises in all states except Kwara state, Taraba state and Federal Capital Territory (FCT) Abuja recorded total capital below fifty percent. While 12.3 percent of the enterprises have the total capital in the range of ten to twenty million naira. See Table 9 in the appendix for details.

Table 6 reveals that 68.9 per cent of the enterprises have the total capital falls below N10m. While 12.3 per cent of the enterprises have theirs fall between N10 – N20 million. 9.5 per cent of the enterprises fall in above N50 million. While the least constitutes 1.5 per cent in N41 – N50 million.

Figure 3 Total Capital by Enterprises as at December 2010

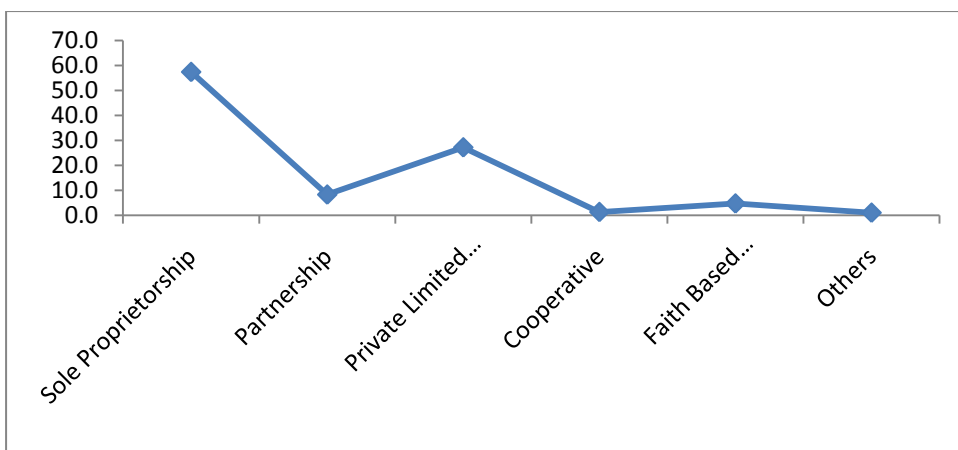


#### 5.1.7 Total Capital by Sector as at December 2010

Table 10 shows that, manufacturing sector has the highest total capital as at December 2010, with the concentration in below N10 million naira size bands of about 73.4 percent. Followed by size band (N10m – N20m) with 10.3 per cent.

#### 5.1.8 Ownership Status

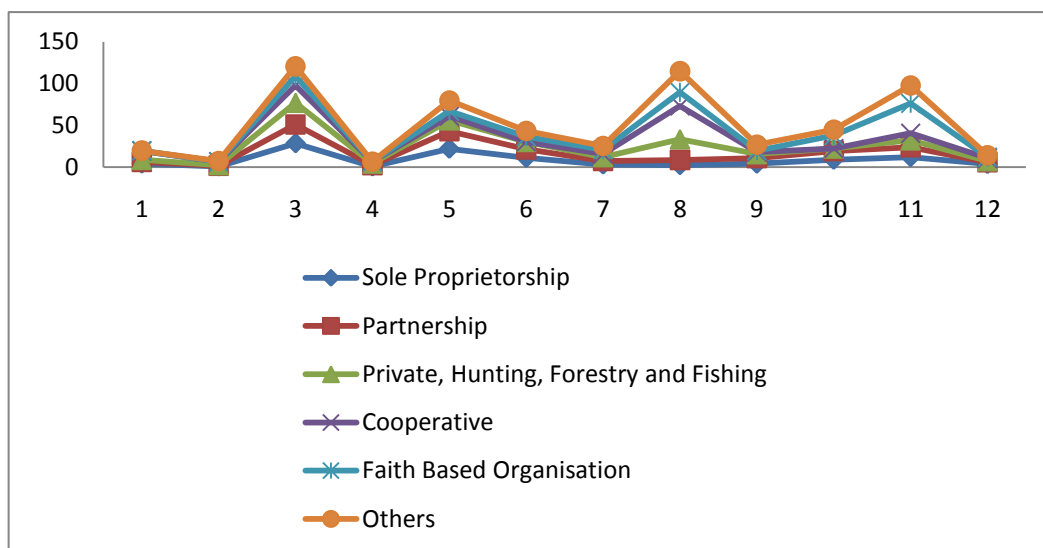
The form of business ownership structure is predominantly in the sole proprietorship with 57.5 percent. The second dominance of ownership status in the country is private Limited Liability, accounting for 27.2 percent. See Table 11.



### 5.1.9 Ownership Status by Sector

In the ownership status by sector, manufacturing sector is the dominance. Within the sector, the sole proprietorship has 28.4 percent followed by the private Limited Liability with 26.1 percent.

The second dominant sector is the wholesale and Retail Trade, Repairs of motor vehicles and Household Goods with 21.9 percent and within the sector, the sole proprietorship ownership of business leads, Followed by private Limited Liability ownership status with 13.2 percent. See Table 12



### 5.1.10 Gender of Owner (Sole Proprietorship)

The survey revealed that female accounts for 13.57 per cent as against 86.43 per cent for male in the ownership structure (Sole proprietorship) of the

enterprises. Most of the sectors are dominated by male with percentages higher than the sectoral average of 86.43 per cent. Three sectors recorded percentages lower than the sectoral average - Hotels and Restaurants (76.56%); Education (62.12%) and Other Community, Social and Personal Service Activities (62.77%). See Table 13.

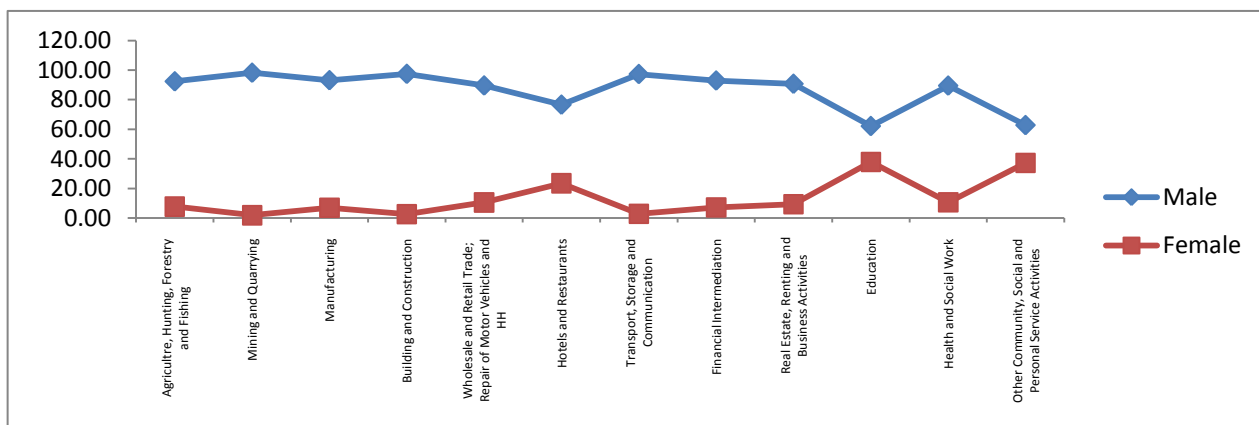


Figure 4 Gender of Owner (Sole Proprietorship)

### 5.1.11 Age of Owner (Sole Proprietorship)

In terms of Age distribution of owners, Table 14 shows that the age bracket of 36-50 dominates, accounting for 43.60 per cent as against 13.40 per cent for under 36 years of age. However, 51-60 years of age account for 26.86 per cent, while above 60 years of age recorded 16.0 percent.

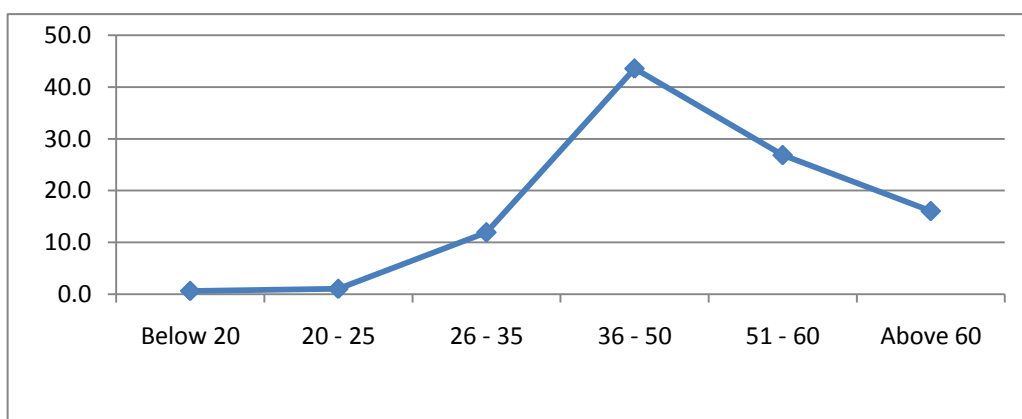
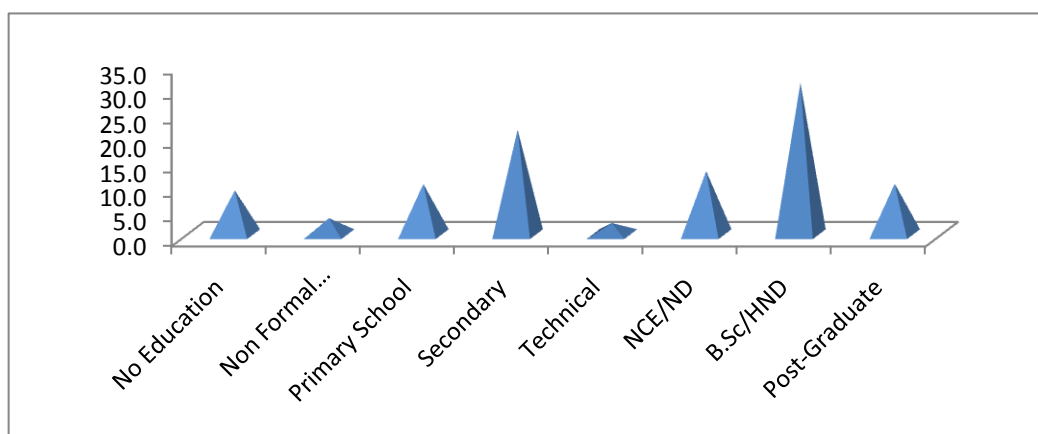


Figure 5 Age of Owner (Sole Proprietorship)

### 5.1.12 Highest Qualification Attained by Owner

In the categorisation of sole proprietorship business by the highest academic qualification attained, as shown in Table 15, BSc/HND recorded the highest in the country with 30.9 percent, followed by Senior Secondary School Certificate owners with 21.3 percent.

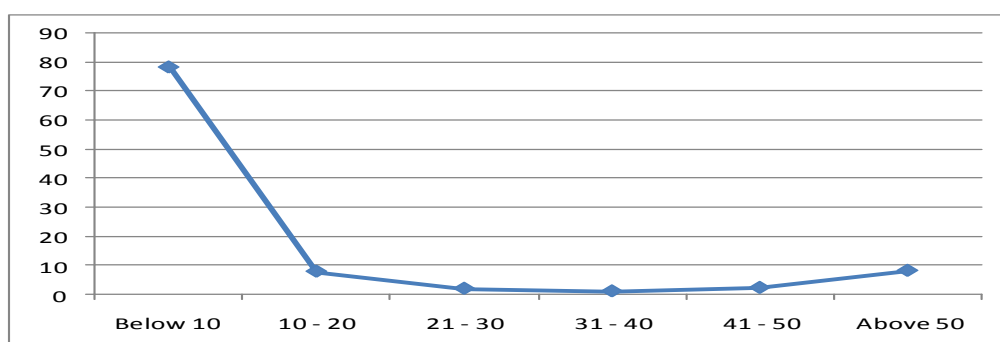
Figure 6 Highest Qualification Attained by Owner



### 5.1.13 Initial Total Assets at Inception

The initial total assets at inception of the enterprises have its concentration in below ten million naira with about 78.5 per cent. The second dominance is above ₦50 million with 8.2 percent. See Table 16

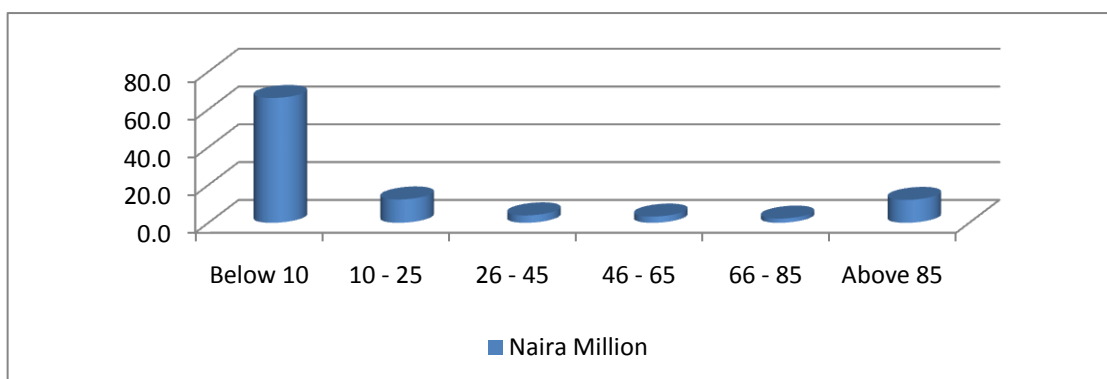
Figure 7 Initial Total Assets at Inception



### 5.1.14 Total Asset Value as at December 2010

Table 17 shows the total asset value as at December 2010, concentrated in below ₦10 million naira with 66.1 percent. The second dominance size band is ₦10 to ₦20 million naira with 12.4 percent.

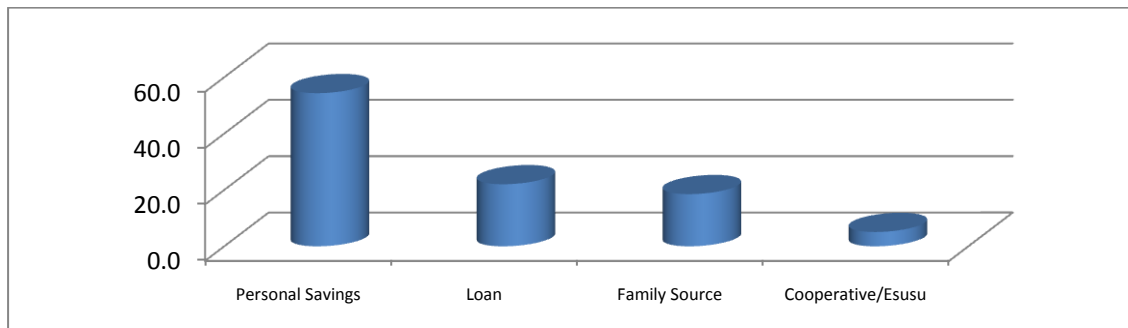
Figure 8 Total Asset Value as at December 2010



### 5.1.15 Source of Capital

The survey revealed that, the main source of capital is personal savings with 54.4 percent, followed by loan with 22.0 percent. The family source of capital ranked third with 16.7 percent. See Table 18.

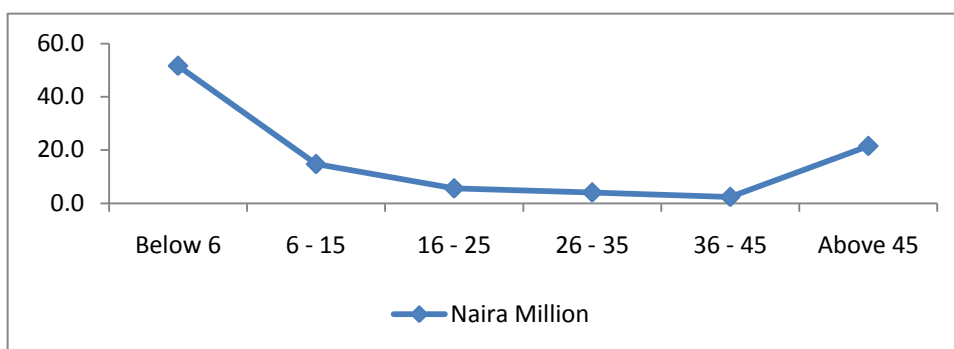
Figure 9 Source of Capital



### 5.1.16 Business Monthly Sales (Turnover) 2009

Table 19 highlights the monthly business turnover of enterprises in the country. Most of the business monthly turnover 2009 was below six million naira with 51.7 per cent. The second dominance category in the same year was forty-five million naira and above, with 21.5 percent.

Figure 10 Business Monthly Sales (Turnover) 2009

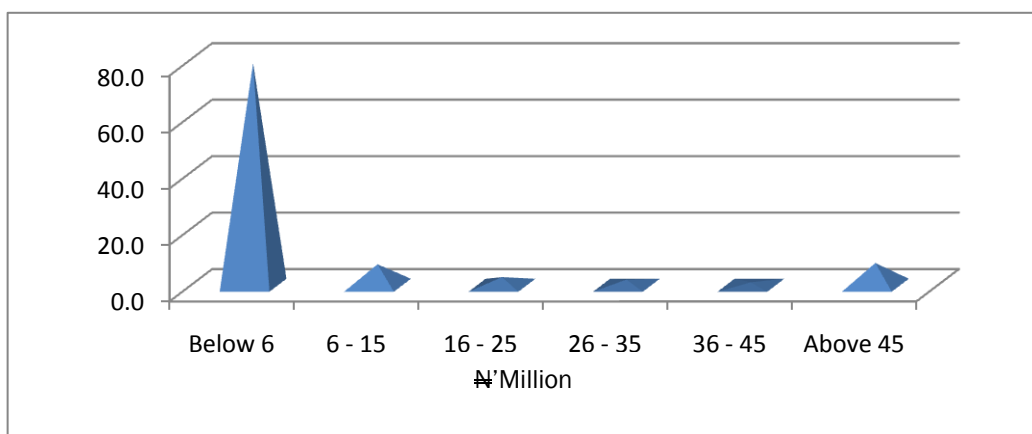


### 5.1.17 Business Monthly Sales 2010

Table 20 highlights the business turnover of the enterprises in the country. The enterprises maintain the trend of turnover in 2009 and in 2010, with below six million naira, recording 78.7 per cent concentration. There was remarkable improvement in the monthly turnover of enterprises in 2010, when compared with 2009 in the same size band.

The second dominance category in 2010 is above forty-five million naira with 7.9 per cent. In comparison with 2009, there is a drop of 13.6 percentage points.

Figure 11 Business Monthly Sales (Turnover) 2010

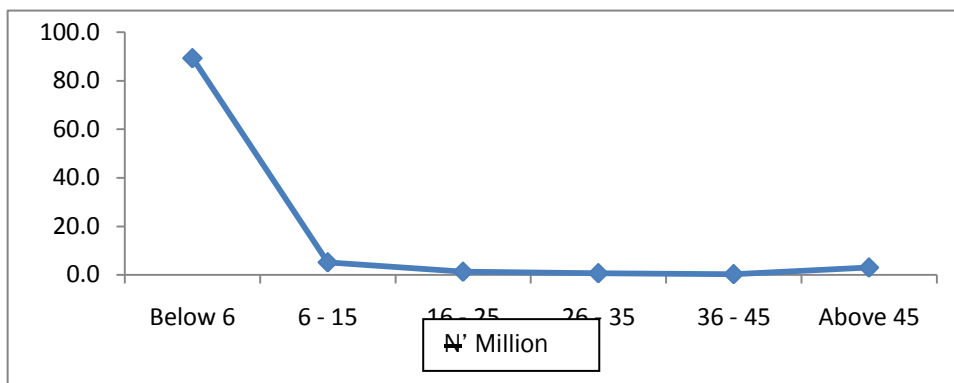


### 5.1.18 Business Monthly Cost of Operation

Table 21 on cost of operation reveals that, 89.2 percent of enterprises in the country in (2010) have their operational monthly cost below ten million naira

while the second dominance category is six to fifteen million naira, representing 5.2 per cent.

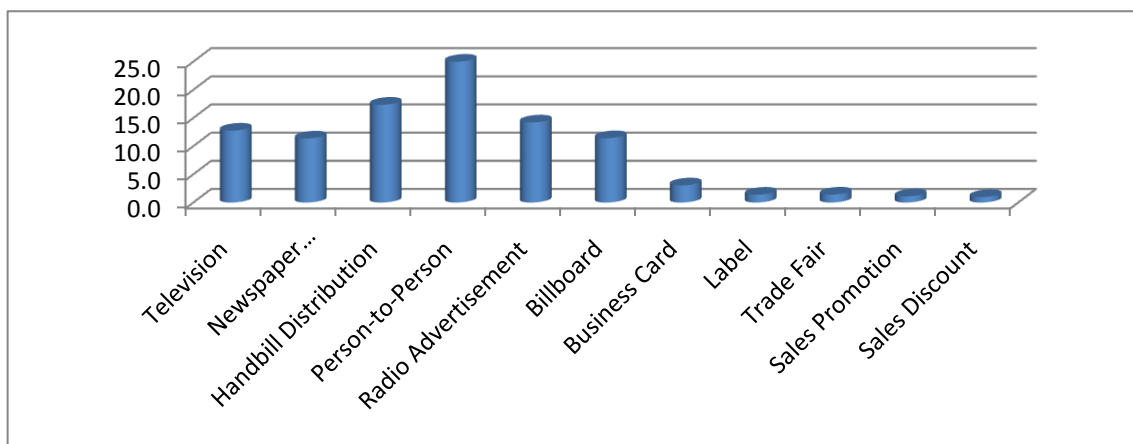
Figure 12 Business Monthly Cost of Operation



### 5.1.19 Promotion Media Used by the Enterprise

The promotional medium mostly used by enterprises in the country in 2010 was person-to-person with about 25.0 percent. The second dominance was handbill distribution by enterprises with 17.4 percent. The least used promotional medium in the businesses was sales discount with 1.0 per cent. See Table 22.

Figure 13 Promotional Media Used by the Enterprise

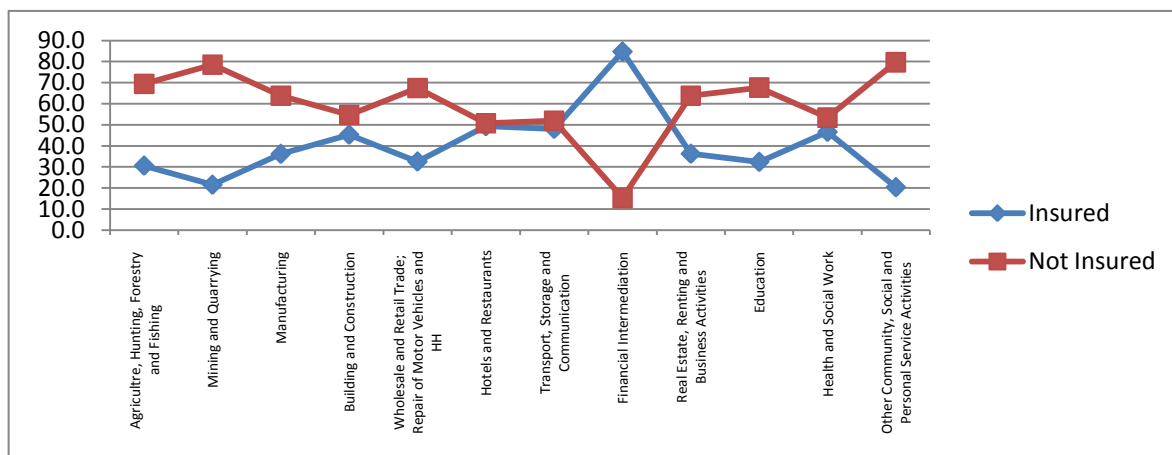


### 5.1.20 Business Insurance by Sector

Table 23 shows that, as at December 2010, only about 42.5 percent of the enterprises in the country were insured. Within the business sector, manufacturing sector insured only 36.2 percent of the enterprises while wholesale and Retail Trade, Repairs of motor vehicles and Household Goods

insured only 32.5 percent. Generally most enterprises in the country are not insured as seen from the table.

Figure 14 Business Insurance



### 5.1.21 Daily Usage of Alternative Source of Power

Table 24 reveals that, majority of the enterprises (precisely 39.8 percent) make daily usage of alternative source of power in the range of 1-5 hours .While about 34.9 percent of the enterprises makes daily usage of alternative source of power in the range of 6-10 hours. Another remarkable observation is that, about 12.0percent of the enterprises make daily usage of alternative source of power in the range of 16-20 hours.

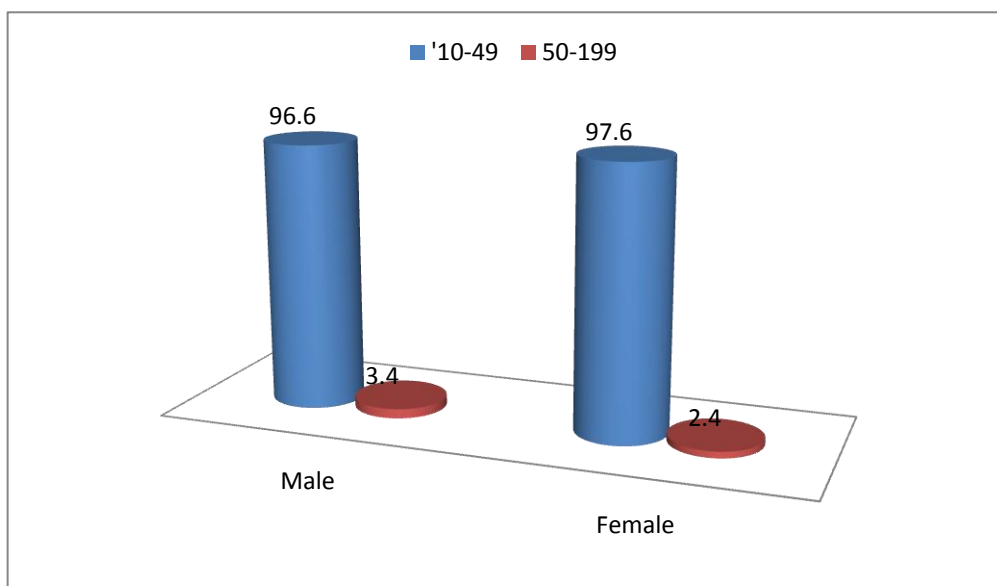
It worth noting that, most of the manufacturing enterprises (precisely about 37.4 percent) make daily usage of alternative source of power in the range of 6-10 hours. While about 36.0 percent of the enterprises in the sector make daily usage of alternative source of power in the range of 1-5 hours. Furthermore, only about 13.2 percent make daily usage of alternative source of power in the range of 16-20 hours.

### 5.1.22 Employment by Sex at Commencement of Business

The total number of employees at commencement of business as shown in Table 25 is 37,996 persons. The table further reveals that, 22,106 employees are males with dominance trend of 58.18 percent. While 15,890 employees are females, representing 41.82 percent. The sex ratio (Female/Male ratio) is 8:11.



Figure 15  
Employment by Sex at Commencement of Business



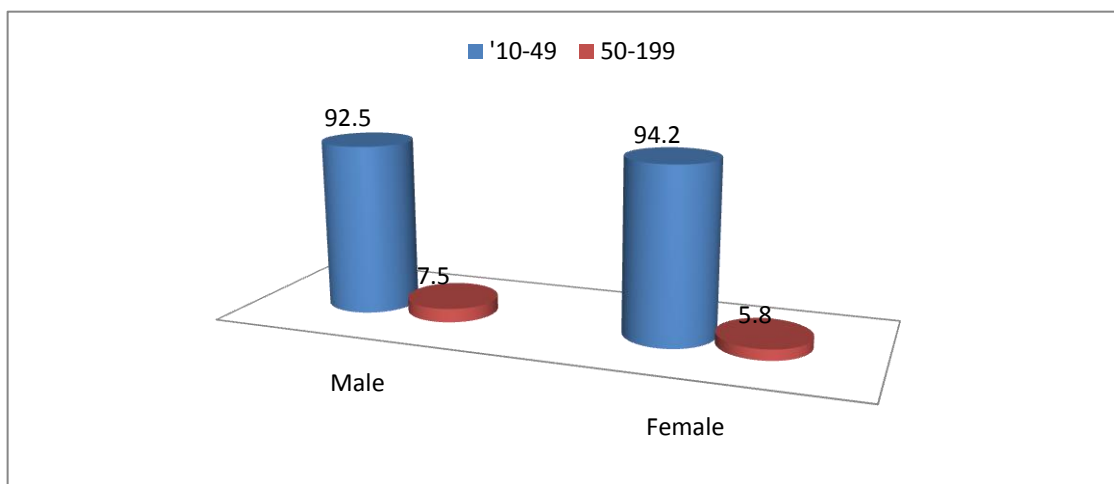
### 5.1.23 Employment by Sector at Commencement of Business

As shown in Table 26, manufacturing sector employed the highest number of 5,867 males and 3,327 females at commencement of business. The sex ratio (female/male) is 1:2. The second dominance is the wholesale and Retail Trade, Repairs of motor vehicles and Household Goods with 4,019 males and 2,414 females. The sex ratio (female /male) is 1:2.

### 5.1.24 Employment by Sex as at December 2010

The total number of employees as at December 2010 was 39,478 persons as shown in Table 27. The table further reveals that, male employees dominated with 22,139 persons, representing 56.08 percent while the female counterpart was 17,339 persons, representing 43.92 percent. The sex ratio is 17:22.

Figure 16 Employment by Sex as at December 2010



#### 5.1.25 Employment by Sector as at December 2010

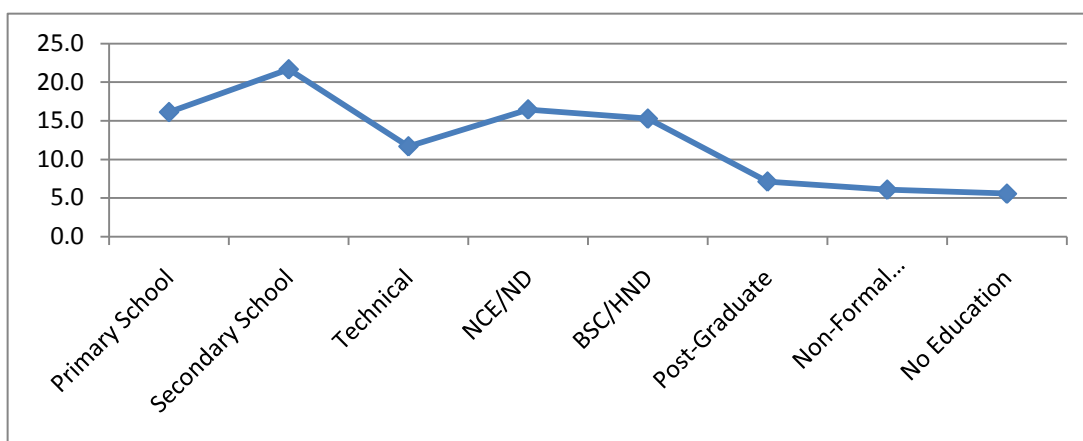
Table 28 shows that, the manufacturing sector employed the highest number of 9,683 persons as at December 2010. The sex components of employees in the manufacturing sector are 5,873 males and 3,809 females, representing 60.7 and 39.3 percent respectively. The female/male sex ratio is 2:3.

The second dominance sector is the wholesale and Retail Trade, Repairs of motor vehicles and Household Goods with 6,727 employees, with a breakdown of 4,014 males and 2,686 females. The female/ male ratio is 3:4.

#### 5.1.26 Educational Qualification of Employees

Table 29 reveals that, the educational qualification of employee is mainly Senior Secondary School Certificate with 21.6 percent. NCE/ND and First School Leaving Certificate/Primary School Certificate ranked second and third with 16.5 and 16.1 percent, respectively. Employees that do not have any education qualification constitute 5.6 per cent.

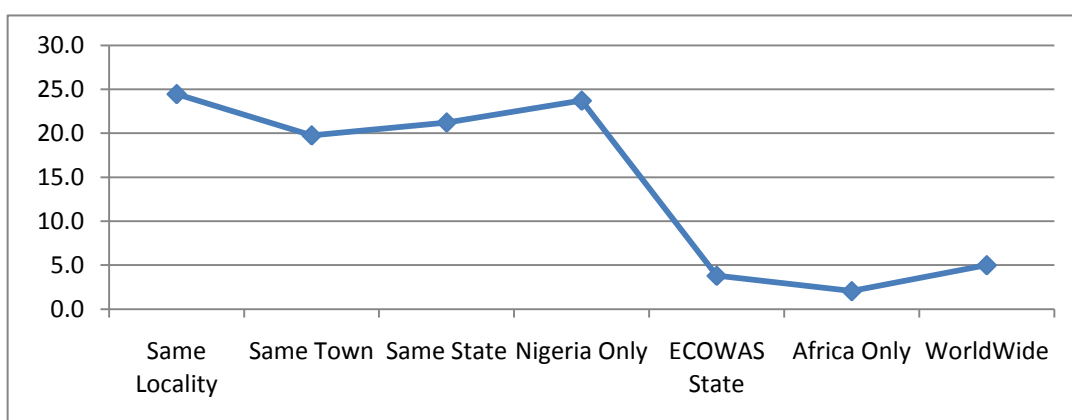
Figure 17 Educational Qualification of Employees



### 5.1.27 Market Channel of Products

In terms of market channel of products, Table 30 reveals that, the same locality takes the lead with 24.5 percent, followed closely by Nigeria only with 23.7 percent while 'Same State' ranked third with 21.2 percent.

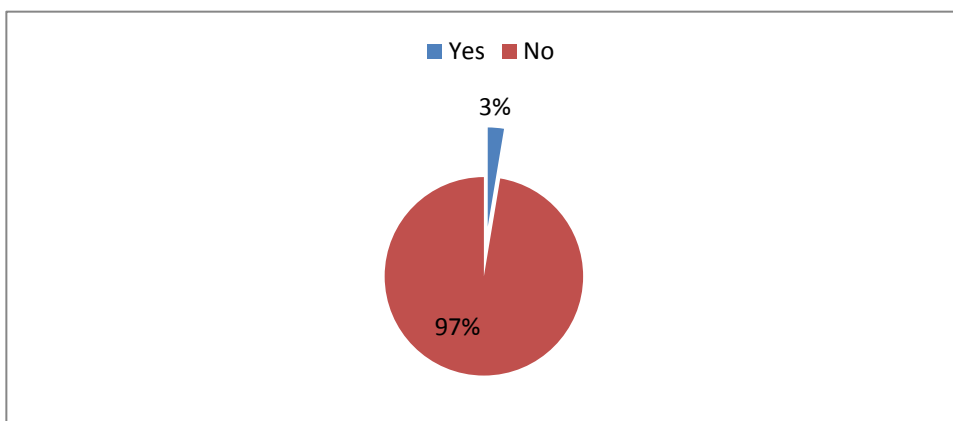
Figure 18 Market Channel of Product(s)



#### 4.1.27.1 Export of Products/Services

Table 31 reveals that only 2.6 percent of the respondents engage in the export of their products/services.

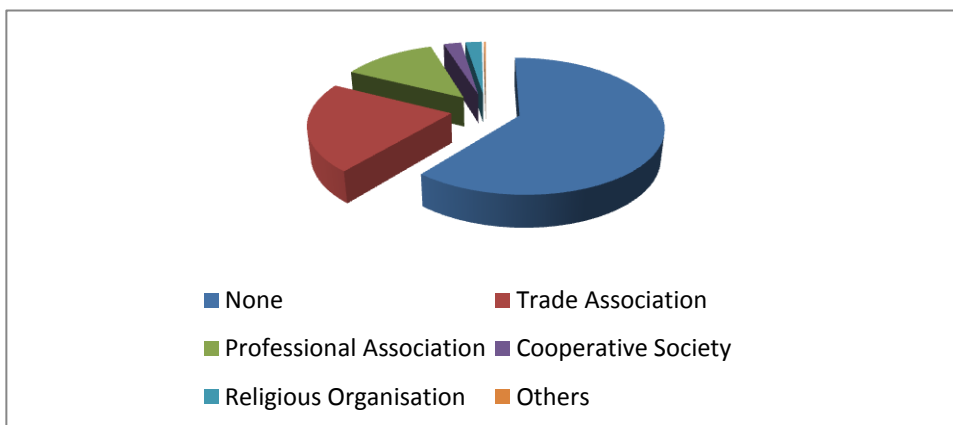
Figure 19 Export of Product/Services



### 5.1.28 Business Association

As shown in Table 32 of the enterprises, 61.0 per cent do not belong to Business Associations of the 39.0 percent of the enterprises belonging to one Business Association or the other, 21.4 per cent belonged to trade Association, while professional Association ranked second with 12.7 per cent..

Figure 20 Business Association



### 5.1.29 Business Patent Right by Sector

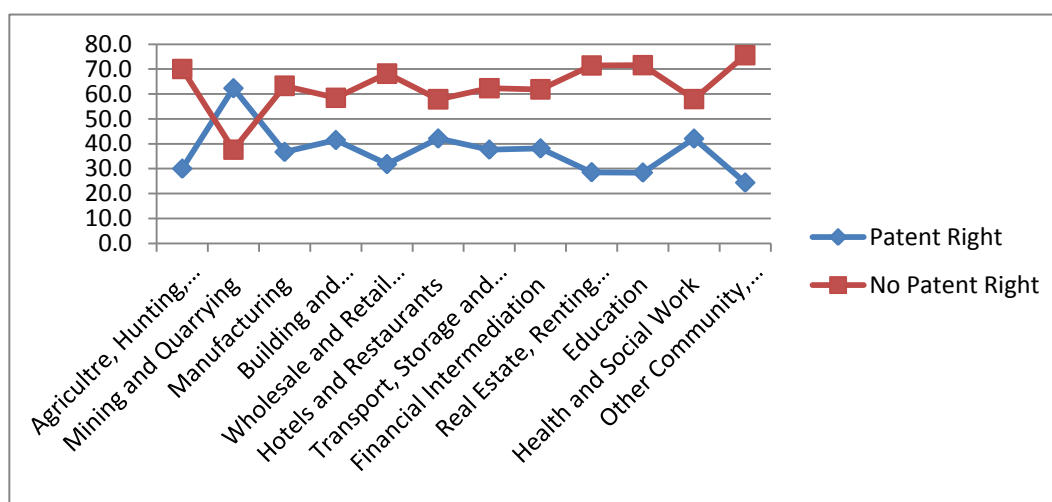
At national level, and across sectors, 35.9 per cent of enterprises reported that they have patent right while 64.1 per cent reported otherwise.

On sectoral basis, Mining and Quarrying recorded the highest percentage of 62.4 per cent followed by Hotel and Restaurants with 42.1 per cent for those enterprises reported that they have patent right. See Table 33.

Table 33 further shows that most of the sectors enterprises do not have patent right and this accounted for over fifty per cent across sectors except Mining and Quarrying.

Five (5) sectors – Namely Agriculture, Hunting, Forestry and Hunting; wholesale and Retail Trade, and Household goods, Real Estate, Renting and Business Activities; Education; and Other Community, social and Personal Service Activity recorded less than the national average of 35.9 per cent.

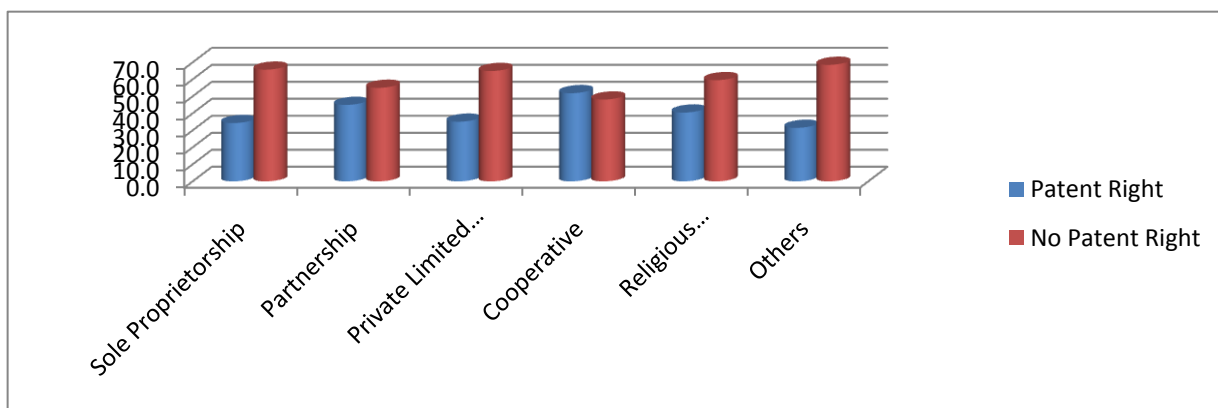
Figure 21 Business Patent Right by Sector



### 5.1.30 Own Patent Right by Form of Ownership

Table 34 shows the overall average of enterprises owned patent right and no patent right of 35.9 and 64.1 per cent respectively. Sole proprietorship, partnership, Limited liability and religious organisations accounted for over fifty per cent that have no patent.

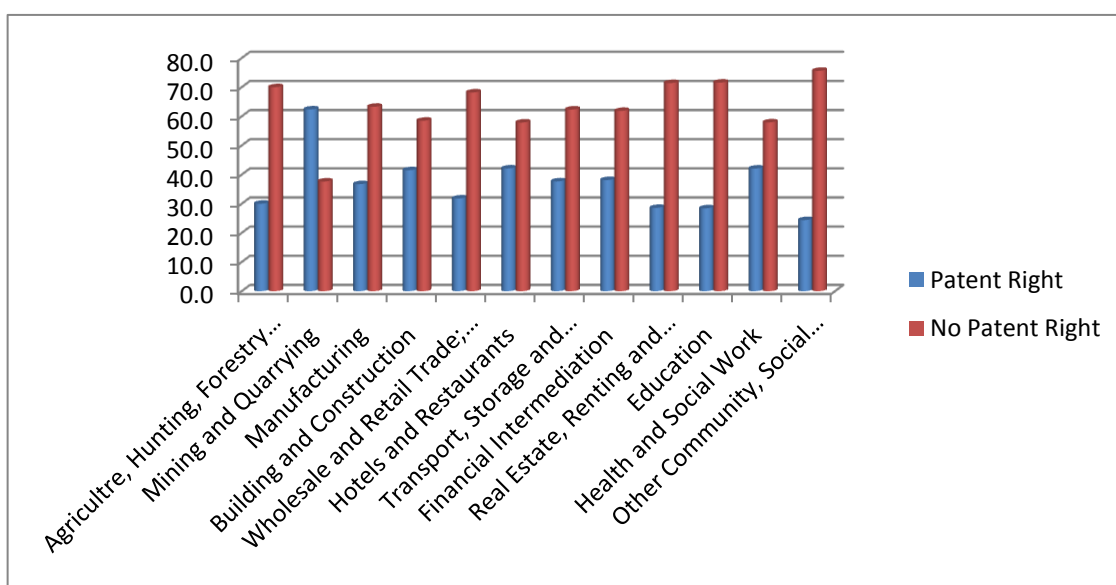
Figure 22 Own Patent Right by Form of Ownership



### 5.1.31 Registered Patent Right by Sector

Among the sectors enterprises reported on patent right registration, mining and quarrying recorded the highest percent of 62.4 per cent, followed by Hotels & Restaurant and Health & Social Work, both with 42.1 per cent. The lowest was Other Community, Social and Personal Service Activities with 24.4 per cent. See Table 35.

Figure 23 Registered Patent Right by Sector

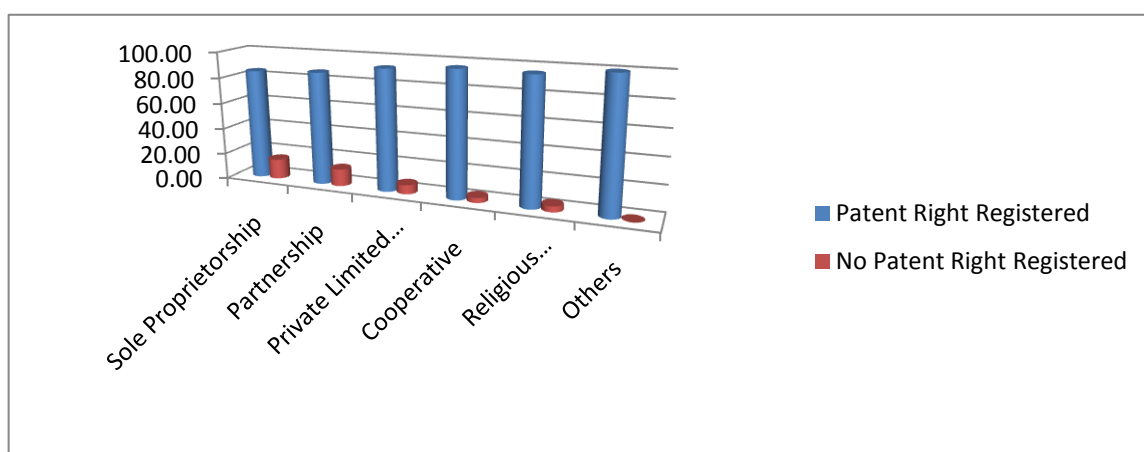


### 5.1.32 Registered Own Patent Right by Form of Ownership

Out of 8225 enterprises across the sectors, that own Patent Right 7244 (88.1 per cent) had registered their patent right while 981 (11.9 per cent) had not registered.

All the components of form of ownership recorded above 80 per cent. However, Cooperative, Religious Organisation and Private Limited Liability recorded less than 10 per cent for non-registration with 3.8, 4.4 and 7.0 per cent respectively. See Table 36.

Figure 24 Own Patent Right by Form of Ownership

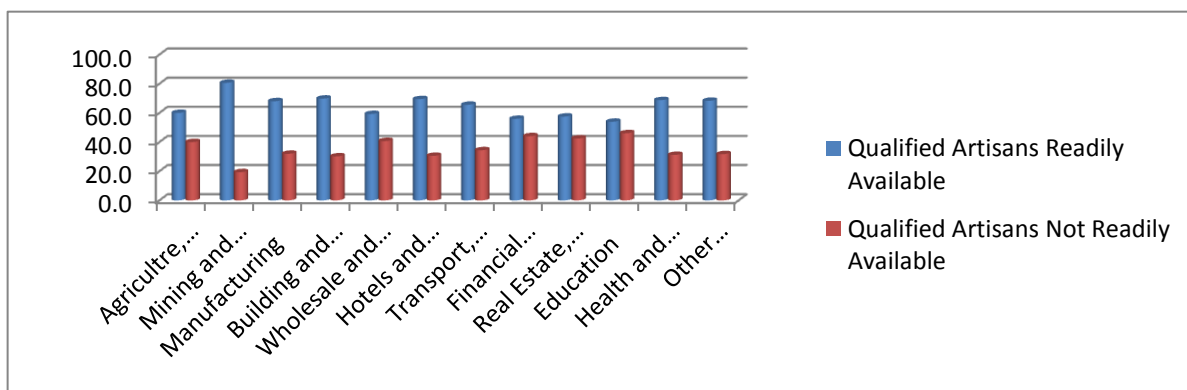


### 5.1.33 Skills Gap by Sector

Enterprises in the Mining and Quarrying Sector recorded the highest percentage of 80.6 per cent for the availability of qualified artisan, followed by Building and Construction with 69.8 per cent.

On the other hand, the non availability of qualified artisans is about 46.1 per cent in Education, followed by Financial Intermediation. 42.5 per cent and Real Estate, Renting and Business Activities (42.5 per cent). See Table 37.

Figure 25 Skills Gap by Sector

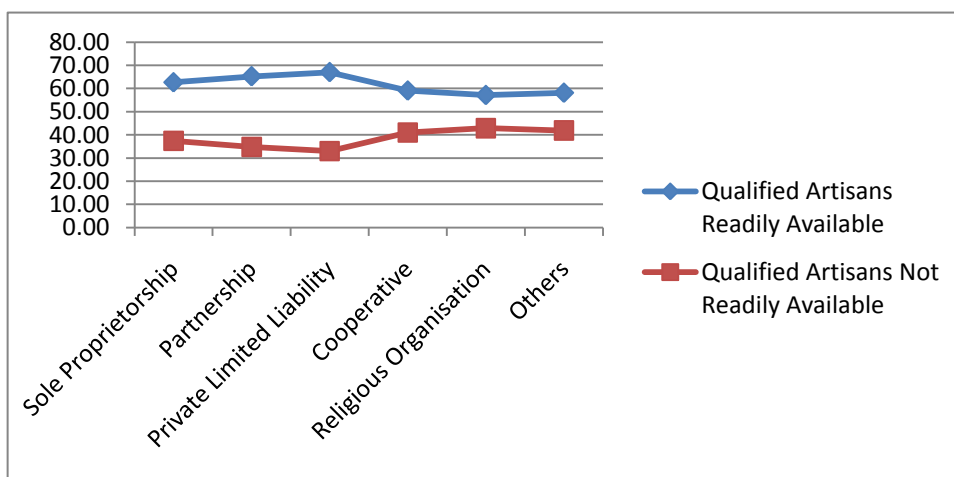


### 5.1.34 Skills Gap by Forms of Ownership

Table 38 reveals that about 63.7 percent of the enterprises agreed to having qualified artisans readily available to fill skill gap.

The table further shows that, all forms of ownership were rated above fifty percent of having qualified artisans readily available to fill skill gap.

Figure 26 Skill Gap by Form Ownership

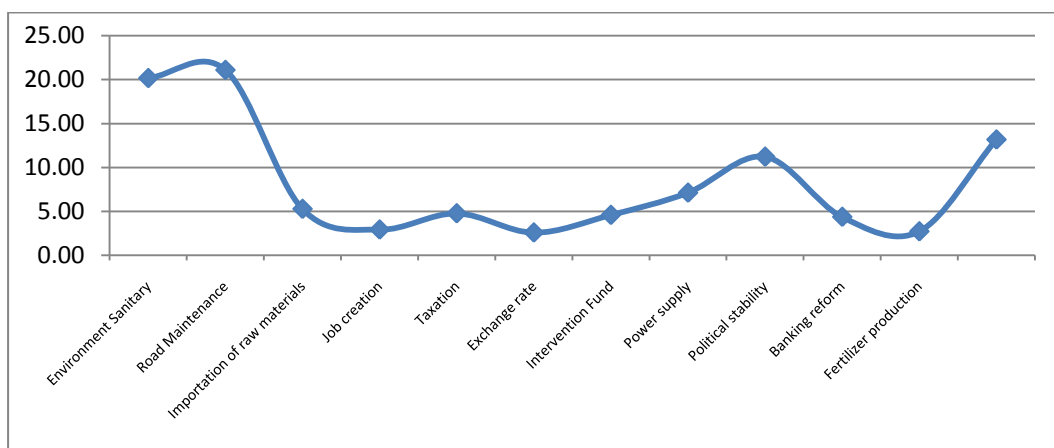


### 5.1.35 Major Government Policy that Affect Business Most Favourably

Table 39 reveals that, 21.1 percent of the enterprises reported good roads as most favourable government policy affecting the business. The second major government policy as shown in table 38 is sanitary inspectors with 20.2 percent.



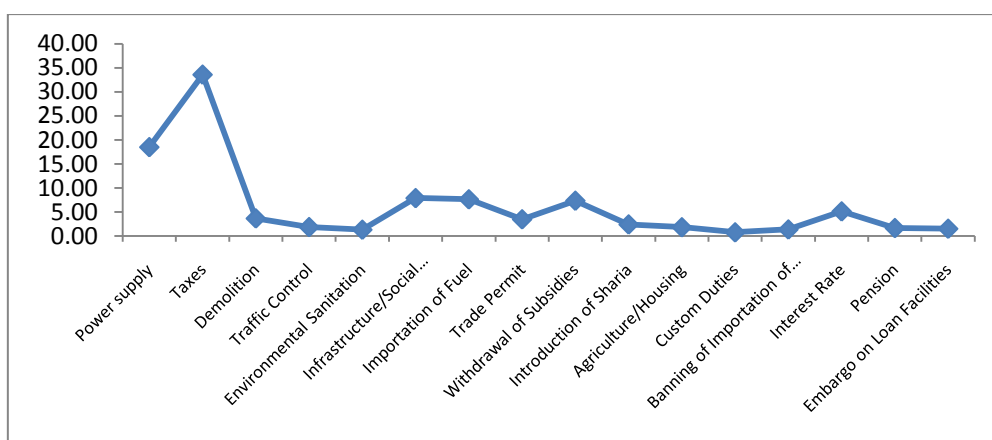
Figure 27 Major Government Policy that Affect Businesses Most Favorably



### 5.1.36 Major Government Policy that Affect Businesses Most Unfavourably

Table 40 reveals excess taxes as the major government policy that affect business most unfavourably in 2010 with about 33.6 percent.

Figure 28 Major Government Policy that Affect Businesses Most Unfavourably



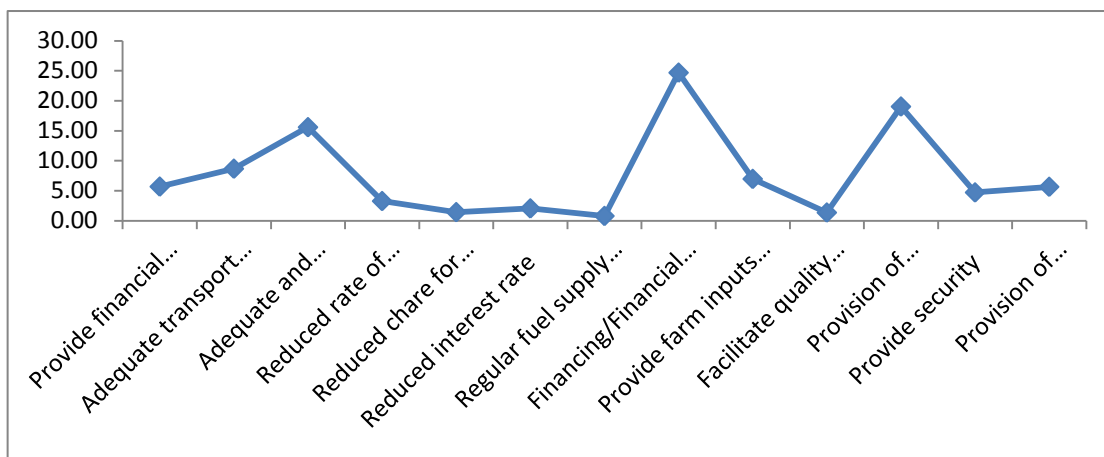
### 5.1.37 Top Priority Areas of Assistance

In areas of assistance, Table 41 shows that 24.7 percent of the enterprises most needed area of assistance is in financing/financial assistance with 24.7 per cent.

Second priority area of assistance as revealed in the table was the provision of infrastructure (like access roads, market work space etc.) with 19.0 percent

The least areas of assistance as revealed in the table were subsidized cost of medical treatment and improved facilitate quality product with 1.4 percent in each case.

Figure 29 Top Priority Areas of Assistance



### 5.1.38 Capacity Utilization Manufacturing

In manufacturing sector, the overall weighted average capacity utilisation of various products was 56.4 per cent. Viewing across by products, fruit juices and vegetable juice had it installed capacity utilized to the tone of 97.55 per cent, closely followed by palm coconut, palm kernel, babassu and linseed oil and their fractions, refined but not chemically modified (CPC 2167) ranked second, beverages )CPC 2449) ranked third with 92.28 percent utilization. While the least installed capacity utilized is 10.26 per cent (CPC 2922). See Table 42 in the appendix for details

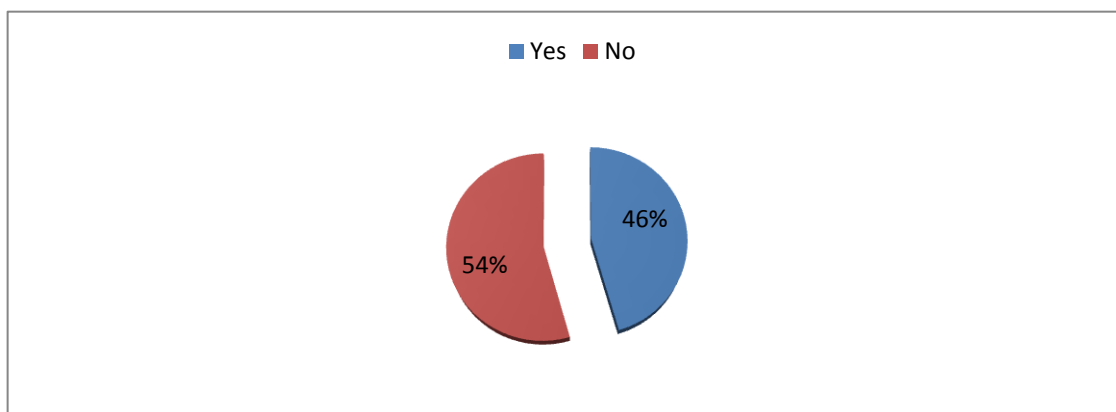
### 5.1.39 Capacity Utilization Mining and Quarrying

Table 43 reveals that an average 49.6 percent of installed capacity of various products in Mining and Quarrying was utilized. Processing of salt utilized the highest quantity of the installed capacity accounting for 86.2 per cent. The least utilised product was Limestone with 41.5 percent

### 5.1.40 Awareness of SMEDAN

Table 44 reveals that most of the respondents are not aware of SMEDAN. 45.5 per cent of the respondents indicated 'NO' as regards the question. 'Have you heard about SMEDAN?

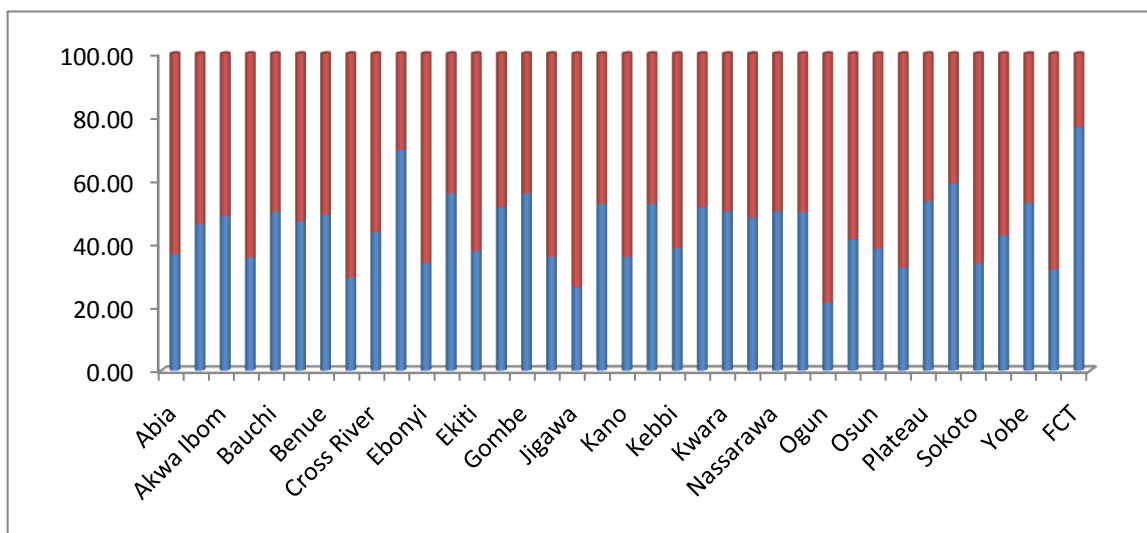
Figure 30 Awareness of SMEDAN



#### 5.1.41 Awareness of SMEDAN by State

As shown in Table 45, Ogun State recorded the highest 'NO' of 78.6 per cent, followed by Jigawa state 73.7 per cent while Borno state ranked third with 70.68 per cent. The awareness is more in the FCT and Delta State representing 76.9 per cent and 69.7 per cent respectively.

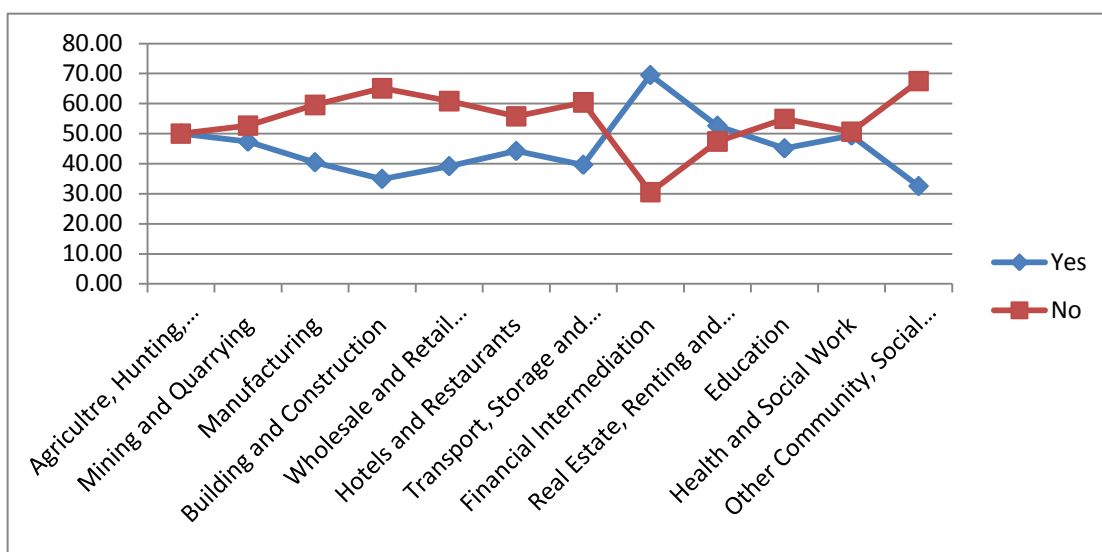
Figure 31 Awareness of SMEDAN by State



#### 5.1.42 Awareness of SMEDAN by Sector

The awareness by sector is not encouraging either as indicated in Table 46. Building Construction, Other Community, Social and Personal Service activities recorded 65.09 percent and 67.5% respectively.

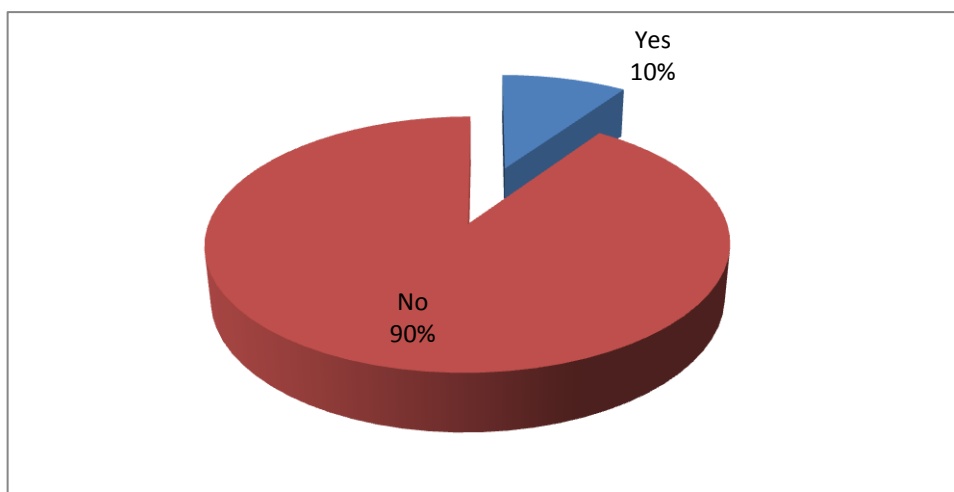
Figure 32 Awareness of SMEDAN by Sector



5.1.43 Benefit from SMEDAN Services

Table 47 shows how many of the respondents have benefited from SMEDAN Services. 90.5 percent responded that they have not benefited from SMEDAN Services.

Figure 33 Benefit from SMEDAN Services



4.1.43.1 Benefit from SMEDAN Services by States

Table 48 reveals that Bayelsa, Ebonyi, Jigawa, Kwara, Taraba and Yobe States recorded 100 percent Non-beneficiary of SMEDAN Services.

#### 5.1.44 Ranking of SMEDAN Services

To rank the SMEDAN Services, the respondents have benefited, Entrepreneurship Training and Vocational Skill upgrading were ranked as most important respectively. While Facilitation of product quality control and certification, facilitation of access to market and finance followed in that order as shown in Table 49

#### 5.1.45 Rank of Problems Militating Against Enterprises' Development in Nigeria

To diagnose the major problems militating against business in Nigeria, respondents were asked to rank the identified problem in order of severity; clearly as Table 50 shows, lack of access to finance ranks the most severe followed by weak infrastructure and inconsistency in government policy.

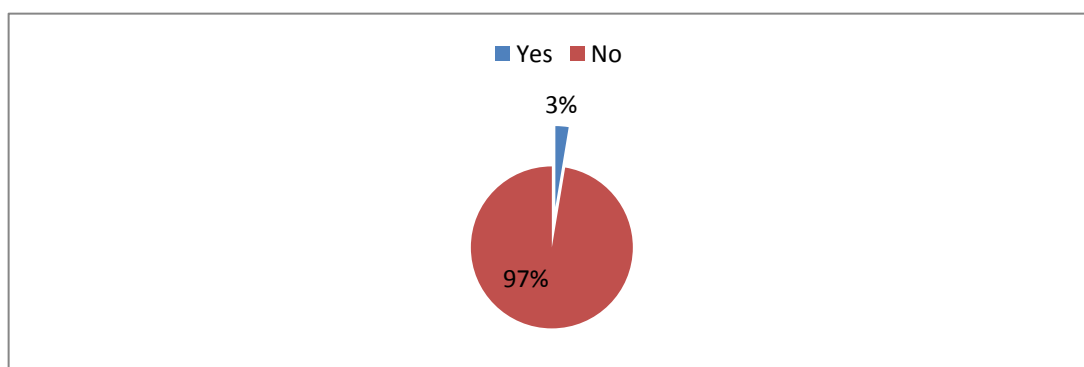
#### 5.1.46 Measures Taken by SMEDAN to Alleviate Problems

Respondents were asked to rank what SMEDAN can do to alleviate some of the identified problems in order of severity. Most of the respondents ranked facilitation of access to finance and entrepreneurship training as most severe shown in Table 51.

#### 5.1.47 Export of Product/Services

The survey reveals that only 2.6 percent of the respondents engage in the export of their products/services.

Figure 34 Export of Products/Services



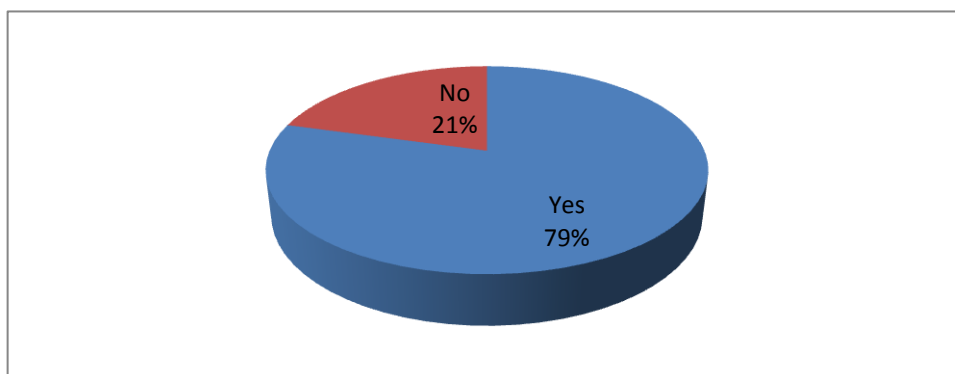
### 5.1.48 Value of Export of Product/Services

Table 53 reveals that, 59.7 percent of the enterprises exported their products/services below 10 million naira. The next highest, that is above 50 million naira with 12.3 percent.

### 5.1.49 Banking Relationship

Table 54 reveals that 79.3 percent of the enterprises have banking relationship.

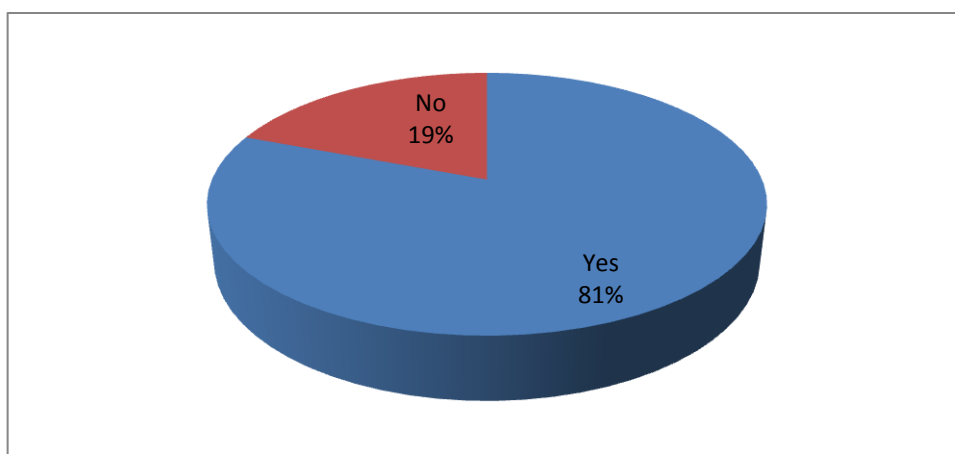
Figure 35 Banking Relationship



### 5.1.50 Business Registration

Table 55 indicates that 80.8 percent of the enterprises registered their business with various business registration authorities.

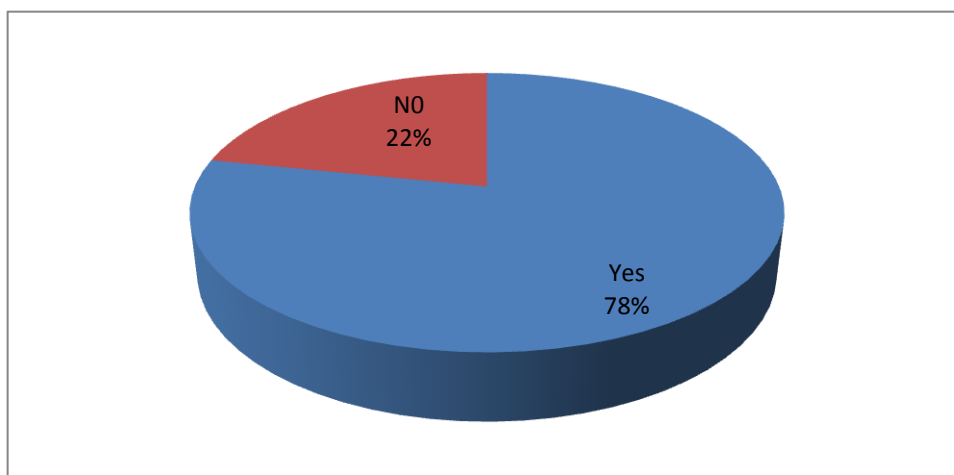
Figure 36 Business Registration



### 5.1.51 Business Plan

Table 56 reveals that 78.2 percent of the enterprises have business plan.

Figure 37 Business Plan



## 5.2 Data Analysis: The Informal Sector – Micro Enterprises

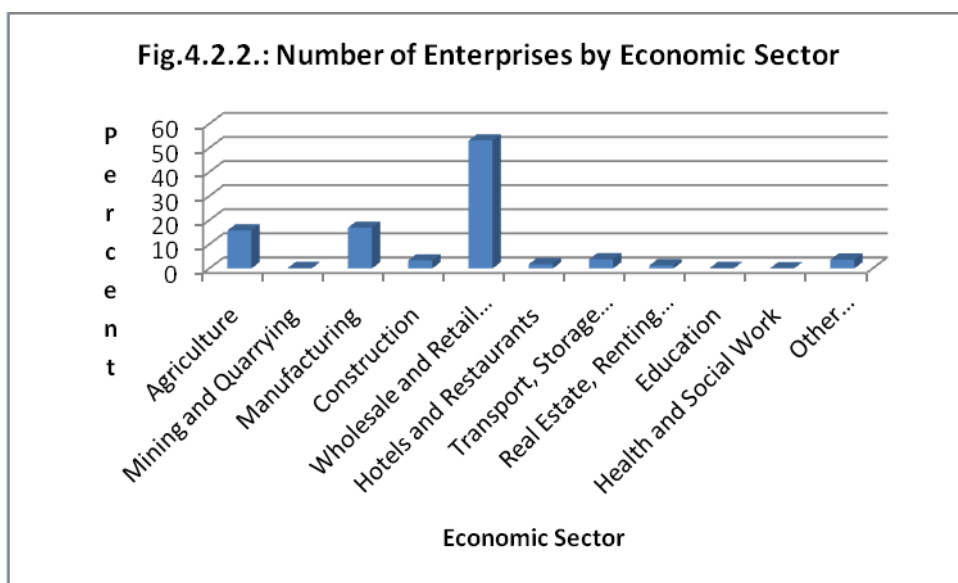
### 5.2.1 Number of Enterprises by State

Table 57 reveals that there are 17,261,753 micro enterprises in Nigeria, with Lagos and Kano states recording the highest number of enterprises of 5.1 and 5.0 percent respectively followed by Rivers state with 3.4 percent, while FCT (Abuja) has the lowest number of micro enterprises of 1.6 percent.

### 5.2.2 Number of Enterprise by Economic Sector

As indicated in Table 58, wholesale and retail trade, repairs of motor vehicles and household goods, was highest (53.2 percent) followed by Manufacturing and Agriculture that stood at 16.8 percent and 16.3 percent respectively. Health and social work had the lowest figure of 0.1 percent

Figure 38 Number of Enterprises by Economic Sector



### 5.2.3 Initial Start-Up Capital at Inception (N'000)

Table 59 in the Appendix indicates that majority (80.6 percent) of micro enterprises covered started with initial capital of less than N50, 000 (Fifty thousand naira), while 13.1 percent started with N50, 000-N100, 000.

### 5.2.4 Initial Start-Up Capital by Sector (N'000)

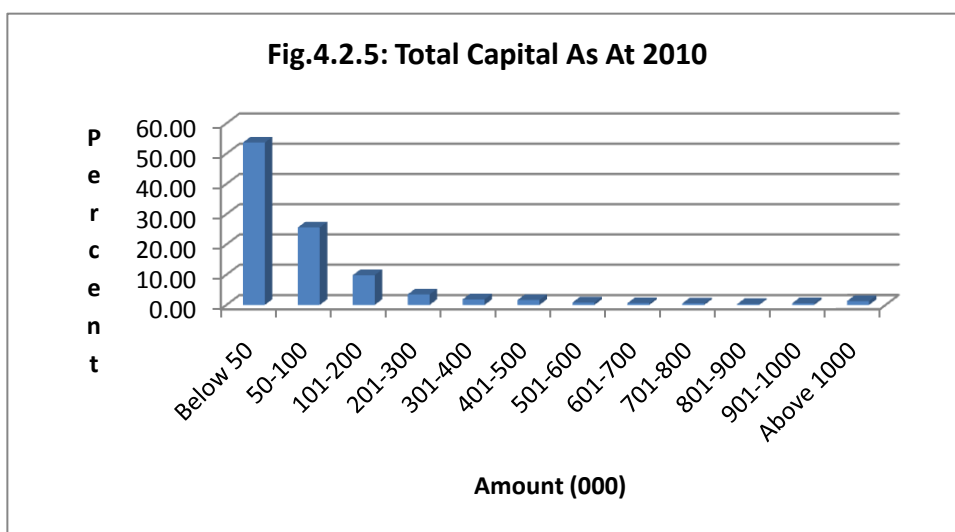
Table 60 shows that Wholesale and Retail Trade, Repair of Motor Vehicles and Household Goods had the highest number of persons (7, 216, 934) that started their businesses with initial start-up capital of below N50, 000 followed by the manufacturing sector (2, 459, 001), while Health and social work sector had the lowest (9,458).

### 5.2.5 Total Capital as at December 2010

Table 61 reveals that more than half (53.7 percent) of micro enterprises owners engaged in business activities operated with total capital less than N50,000 as at the end of December 2010. Next to this are those operating with total capital between N50-100,000 representing 25.6 percent.



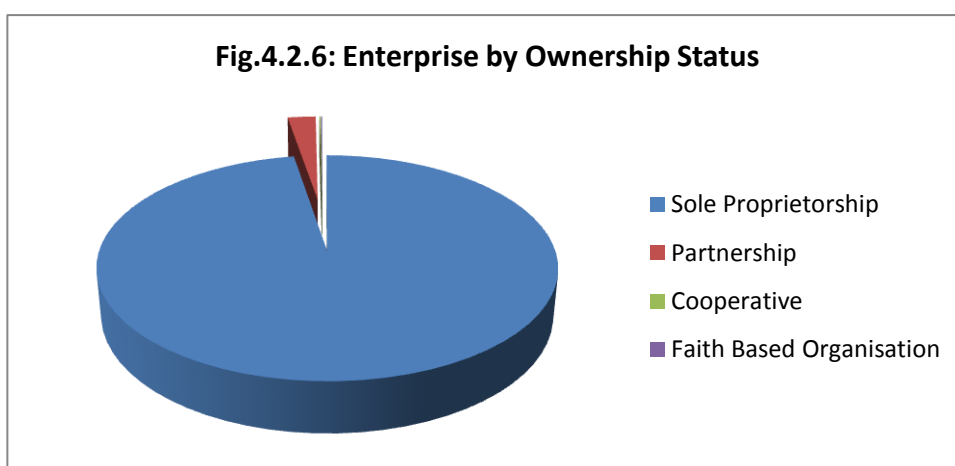
Figure 39 Total Capital as at December 2010



### 5.2.6 Ownership Status

Table 62 reveals that the ownership status of micro enterprises were predominately sole proprietorship, accounting for 97.4 percent, while partnership followed by 2.4 percent.

Figure 40 Enterprise by Ownership Status



### 5.2.7 Ownership Status by Sector

Table 63 in the appendix, reveals that the ownership status of micro enterprises by economic activities (sector) is dominated by wholesale and Retail Trade, Repair of Motor Vehicles and Household goods, (8,727,053 enterprises.), followed by Manufacturing (2,772,225 enterprises) and Agriculture (2,545,781 enterprises).

### 5.2.8 Sex of Owners by Economic Sector

Table 64 reveals that female entrepreneurs account for 42.1 percent in the ownership structure, while male accounts for 57.9 percent. Meanwhile female and male owners were predominantly in wholesale and retail trade, repair of motor vehicles and household goods. In other community, social and personal service activities, females were more (62.2 percent) than the males (37.8 percent). This is very encouraging for women entrepreneurship. They should be motivated and encouraged as they are more in the home based enterprises.

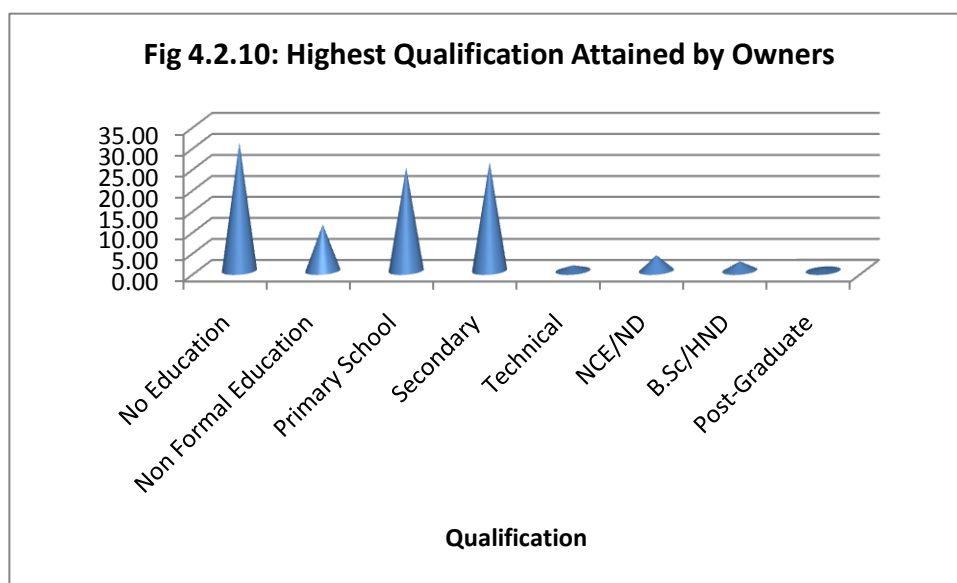
### 5.2.9 Age Distribution of Owner

In terms of age distribution of micro entrepreneurs, Table 65 shows that the age bracket (36-50 years) dominates, accounting for 41.6 percent as against 27.9 percent for 26-35 years of age. 20-25 years of age accounts for 6.04 percent, this is not encouraging for the youth. The youth should be encouraged to embrace micro entrepreneurship by owning and managing their own enterprises as a way out of the present youth unemployment challenge confronting the country.

### 5.2.10 Highest Qualification Attained by Owners

Table 66 indicates that 30.6 percent of micro enterprises owners do not have any education background while 25.9 percent, 24.6 percent and 11.0 percent represent those that have secondary, primary school and non formal education qualification respectively.

Figure 41 Highest Qualification Obtained by Owners



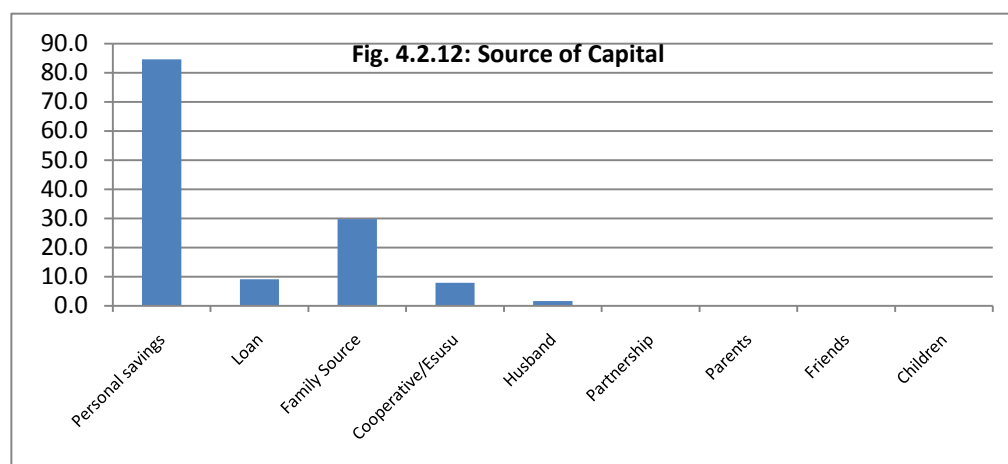
#### 5.2.11 Initial Total Assets at Inception (N'000)

At the inception of the business, Table 67 shows that 72.7 percent of micro enterprises had initial assets below N50,000, followed by those who had initial assets of between N50,000 and N100,000 (15.8 percent), while the least initial assets of 0.1 percent was recorded by enterprises that had between N801,000 and N900,000 as initial total Assets.

#### 5.2.12 Source of Capital

Table 68 shows that the source of capital of most micro enterprises are operated by personal savings, which represents 84.6 percent; while family source, loan and cooperative/Esusu were other major sources of capital representing 29.8 percent, 9.2 percent and 8.0 percent respectively.

Figure 42 Source of Capital



### 5.2.13 Business Capacity (Turnover) 2009

Table 69 indicates that 82.5 percent of micro enterprises had turnover of below N50,000 in 2009, while 11.6 percent of the enterprises had turnover of between N50,000 and N100,000.

### 5.2.14 Business Capacity Monthly Average (Turnover) 2010

Table 70 shows that as at 2010, 76.9 percent of micro enterprises reported a monthly average turnover below N50,000, followed by those that recorded monthly average turnover of between N50,000 and N100,000 (13.9 percent), while the least figure of 0.1 percent was recorded by establishments that had between N 801,000 and N 1,000,000 monthly average turnover.

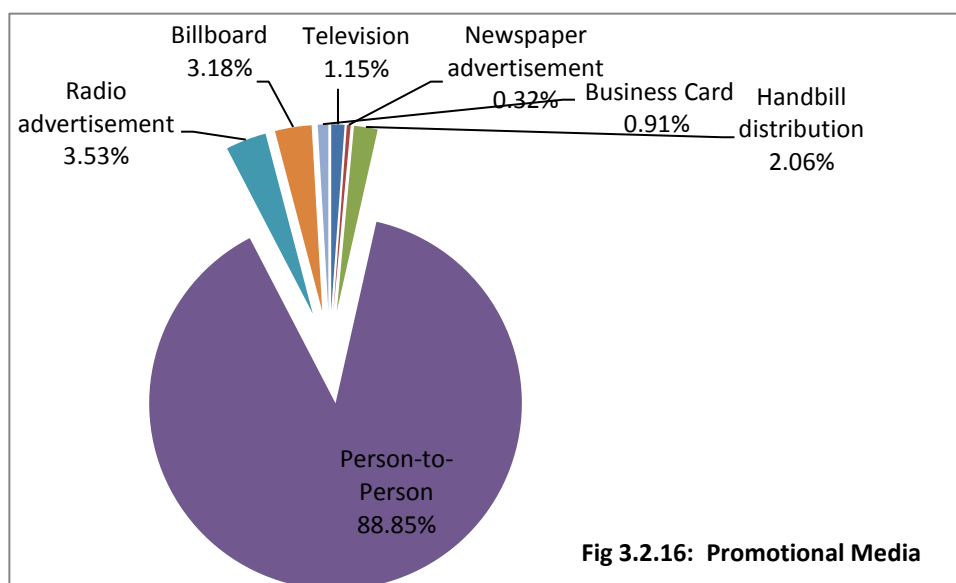
### 5.2.15 Monthly Cost of Operation

Table 71 reveals the monthly cost of operations. The operational cost of the enterprises were mainly below N50,000 representing 92.7 percent while 5.3 percent were from N50,000 to N100,000.

### 5.2.16 Promotional Media

Table 72 shows that micro enterprises used more of person-to-person as a medium to promote their product and services, which accounts for 97.4 percent. While Radio advertisement, Billboard and Handbill distribution followed with 6.3 percent, 5.8 percent and 3.7 percent respectively.

Figure 43 Promotional Media



### 5.2.17 Business Insurance

Table 73 reveals that the Business Insurance is predominantly in the construction sector; accounting for 6.5 percent, followed by Mining and Quarrying (4.5 percent) and Hotels and Restaurants (3.5 percent). Most of the business enterprises are not insured.

### 5.2.18 Daily Usage of Alternative Source of Power by Sector

Table 74 shows that greater percentage (74.5 percent) of micro enterprises use alternative sources of power for between 1-5 hours, while 15.7 percent use alternative sources for between 6-10 hours. Those that source for their alternative power for between 11-15 hours and 16-20 hours recorded 5.5 percent and 4.2 percent respectively. Energy remains a major challenge to the enterprises.

### 5.2.19 Employment by Sector at Commencement

Table 75 shows that more males are employed in the micro enterprises, representing 58.2 percent than females accounting for 41.8 percent. Meanwhile, males and females are predominantly employed in Wholesale and Retail Trade, Repair of Motor Vehicle and Household Goods; Agriculture and Manufacturing.

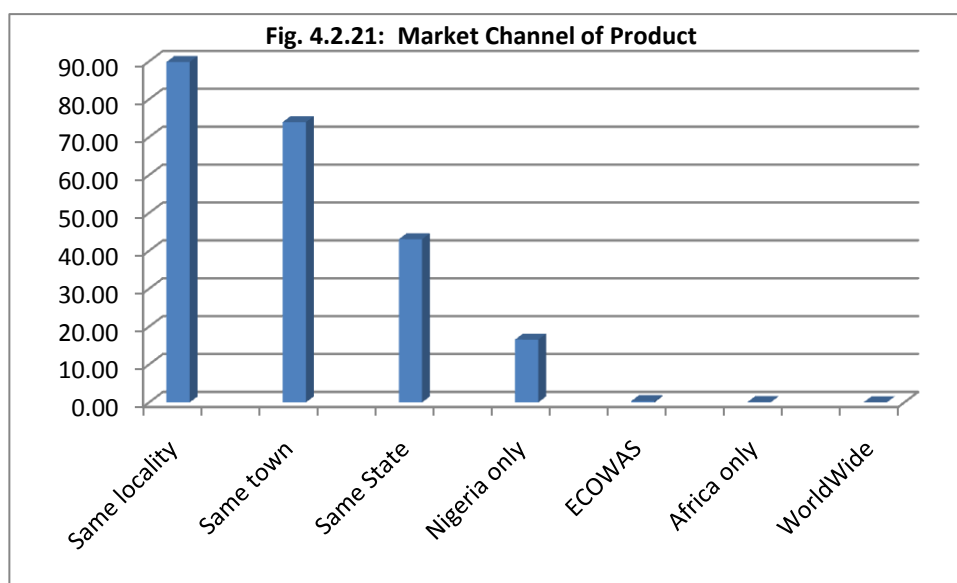
### 5.2.20 Employment by Sector as at December 2010

Table 76 indicates that more males, 57.4 were employed in the micro enterprises than females, 42.6 as at the end of 2010. But wholesale and retail trade; repair of motor vehicles and household goods (50.0 Percent); manufacturing (20.4 percent); Hotels and Restaurants (3.1 percent) and other community, social and personal services activities (3.8 percent) employed more females than their female counterparts.

### 5.2.21 Market Channel of Product

In the micro entrepreneur, 89.8 percent reported that they used same locality to market their products, 74.0 percent used same town, 43.1 percent used same state, while 0.3 percent used ECOWAS channel to market their products. See Table 77.

Figure 44 Market Channel of Product



### 5.2.22 Business Registration by Sector

Table 78 reveals that 95.3 percent of micro enterprises are not registered with Corporate Affairs Commission while 4.7 percent registered their business.

### 5.2.23 Support Received from Association

Table 79 reveals that majority of micro enterprises (91.5 percent) in Nigeria did not state the support received from the Association they belong. But 4.4 percent

reported that they enjoyed financial loan support, while 2.0 percent enjoyed training support.

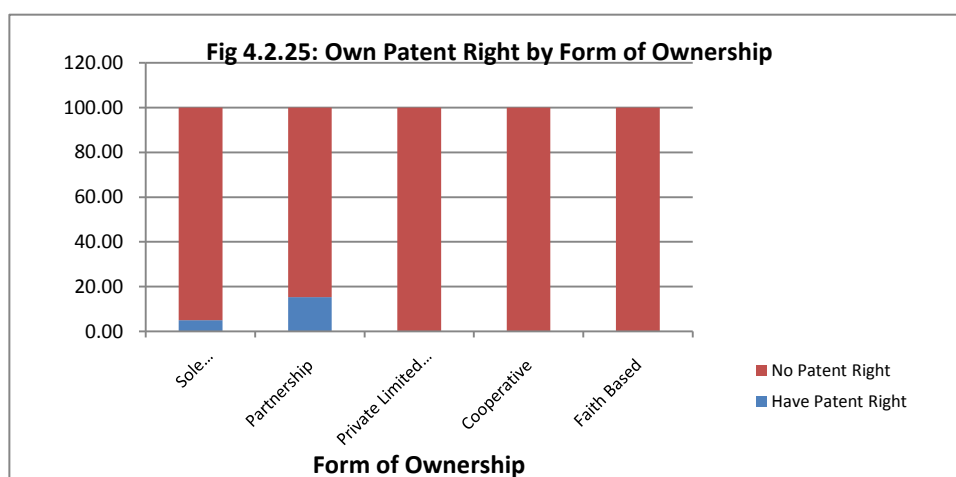
### 5.2.24 Own Patent Right by Sector

Table 80 indicates that ownership of patent right was highest for enterprises in Transport, Storage and Communication (11.3 percent), followed by 9.2 percent (Agriculture) and Construction (9.0 percent), while ownership was lowest in Real Estate, Renting and Business Activities (1.5 percent).

### 5.2.25 Patent Right by Form of Ownership

Table 81 highlights that 94.7 percent of micro enterprises had no patent right, while 5.3 percent had patent right. In other words, their intellectual property was not protected. This calls for advocacy and encouragement.

Figure 45 Own Patent Right by Form of Ownership



### 5.2.26 Patent Right Registered by Sector

Table 82 reveals that 84.0 percent of micro enterprises did not register their patent right. Distributing into economic sector, 54.4 percent registered their patent right in construction, followed by establishment in Real Estate, Renting and business activities (46.9 percent), while other community, social and personal service activities recorded the least of registered patent right (9.8 percent).

### 5.2.27 Skills Gap by Sector

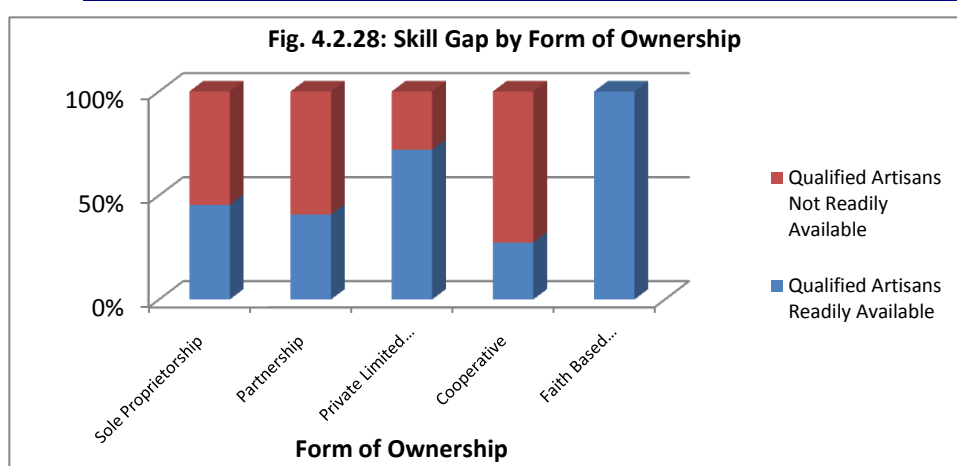
Table 83 shows that qualified Artisans are predominantly readily available in Education sector (66.9 percent), followed by Health and Social Workers sector

(65.8 percent) and Construction Sector (56.4 percent), while the least availability of qualified Artisans was recorded by Hotels and Restaurants (38.6 percent).

### 5.2.28 Skills Gap by Form of Ownership

Table 84 shows that 52.3 percent of micro enterprises did not have qualified Artisans readily available in their businesses; whereas, qualified artisans are predominant in sole proprietorship and partnership with 45.5 and 40.9 percent respectively.

Figure 46 Skill Gap by Form of Ownership



### 5.2.29 Major Government Policy that Affect Business Most Favourably

Table 85 reveals that 83.7 percent of micro enterprises in Nigeria did not state categorically the major government policies that affected their businesses favourably, while favourable atmosphere for business and Good roads representing 5.2 percent and 3.1 percent respectively were identified as major government policies that affected micro enterprises most favourably.

### 5.2.30 Major Government Policy that Affect Business Most Unfavourably

Table 86 shows that 55.0 percent of micro enterprises carrying out business activities in Nigeria did not state categorically how government policies affected their businesses unfavourably. While excess taxes and withdrawal of subsidies representing 12.0 percent and 11.1 percent respectively were identified as major government policies that affected micro businesses unfavourably.



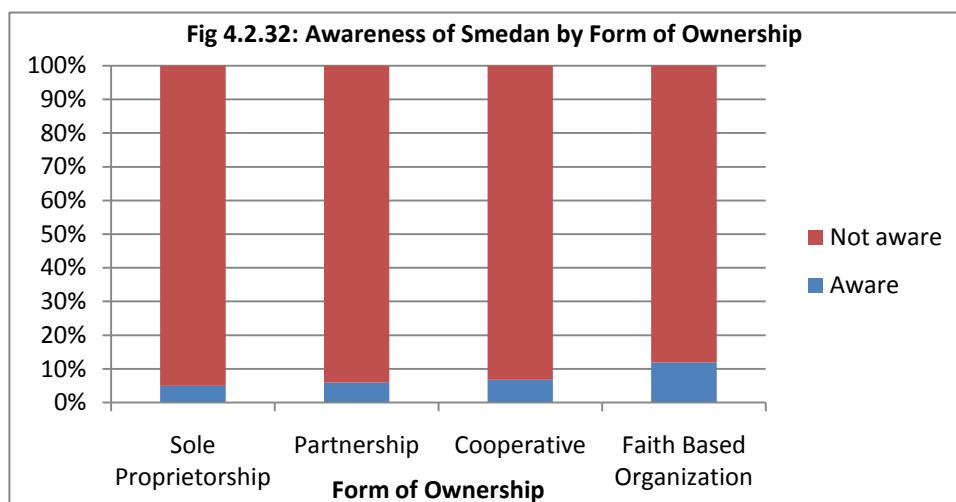
### 5.2.31 Top Priority of Assistance

Table 87 shows that the top priority of assistance of micro enterprises were mainly in area of financing/financial assistance, accounting for 73.2 percent, followed by provision of infrastructure (access roads, market, work space), representing 10.6 percent, while the least figure of 0.1 percent was in the area of facilitating quality product.

### 5.2.32 Awareness of SMEDAN by Form of Ownership

At the national level, Table 88 reveals that more than nine in every ten micro enterprise operators (95.2 percent) are not aware of SMEDAN and benefits they can enjoy, while only 4.8 percent are aware of SMEDAN. Among those that are aware of SMEDAN, majority (10.1 percent) belongs to Faith Based Organizations, followed by cooperative (8.3 percent) and the least (4.7 percent) are sole proprietorship.

Figure 47 Awareness of SMEDAN by Form of Ownership



### 5.2.33 Awareness of SMEDAN by State

Table 89 shows the awareness of SMEDAN by the micro enterprise operators by state. It was revealed that most awareness was recorded by micro enterprise operators in Nassarawa (31.0 percent), followed by Rivers (27.2 percent) and Ekiti (18.5 percent). Kwara and Ogun states had the lowest awareness record of SMEDAN, 0.2 percent each.

#### 5.2.34 Benefit from SMEDAN Service by State

Table 90 shows the number of states that have benefited from SMEDAN Services. It was revealed that Bauchi, Kaduna, Ondo and Zamfara recorded 100 percent beneficiary of SMEDAN Services indicating that all operators that responded benefitted while Bayelsa, Benue, Delta, Ebonyi, Imo, Jigawa, Kebbi, Kwara, Niger, Ogun, Osun, Oyo, Rivers, Sokoto and FCT had 100 percent non-beneficiary of SMEDAN services.

#### 5.2.35 Benefitted from SMEDAN by Form of Ownership

Table 91 reveals that 97.1 percent of micro enterprises owners did not benefit from the SMEDAN services while 2.9 percent of micro enterprises owners benefited from the services of SMEDAN. However, those that benefitted from SMEDAN services are predominantly in sole proprietorship (3.0 percent)

#### 5.2.36 Ranking of SMEDAN Services Received

The entrepreneurs were asked to rank SMEDAN services they enjoyed in order of importance. As revealed in Table 92, that 6.3 percent of those that had received entrepreneurship training ranked it as number one (1) while 91.7 percent ranked it number two (2); 1.6 percent ranked vocational skill upgrading as number one (1) while 94.6 percent rank it number two (2) among the services received from SMEDAN. Facilitation of access to market was ranked number one (1) by 2.4 percent while 94.0 percent ranked it number two (2).

#### 5.2.37 Ranking of Major Problem Militating Against Business in Nigeria

Table 93 indicates that 84.2 percent of micro enterprises that identified lack of access to finance as a major problem ranked it as number one (1). Also, 3.5 percent of those that identified lack of work space as a major problem ranked it as no1 while 50.2 percent ranked it as number two (2). Weak infrastructure was ranked number one (1) by 4.6 percent while 37.6 percent ranked it as number two (2). Equally, 3.6 percent of those that identified lack of entrepreneurship education as a major problem ranked it as no 1 while 32.2 percent ranked it as number two (2) problem.

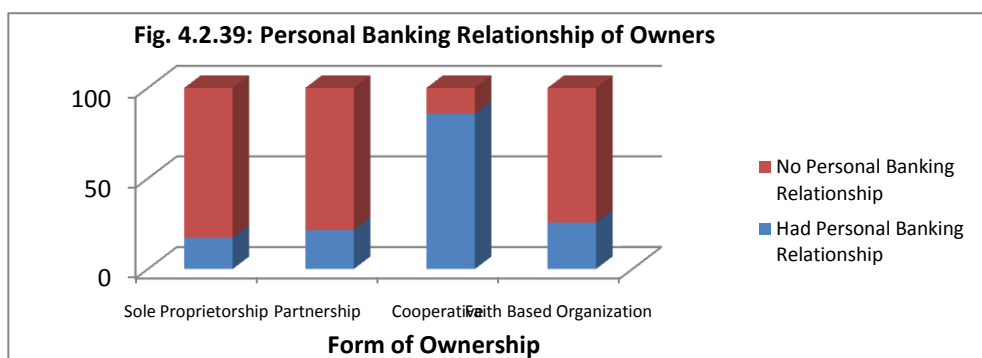
### 5.2.38 Personal Insurance of Owners

Only 1.7 percent of the owners of micro enterprises in Nigeria insured themselves while 98.3 percent do not have any personal insurance policy. Meanwhile, micro enterprises owners that did not insure themselves are predominately in the sole proprietorship. See Table 94

### 5.2.39 Personal Banking Relationship of Owners

Table 95 reveals that 82.6 percent of micro entrepreneurs had no personal banking relationship to operate their business while 17.4 percent of micro enterprises had personal banking relationship with the bank. However, sole proprietorship had the highest no personal banking relationship (82.7 percent)

Figure 48 Personal Banking Relationship of Owners



### 5.2.40 Qualification Attained by Workers

Table 96 shows that 18.9 percent of micro entrepreneurship who engage in sole proprietorship had no education. While 25.6 percent of those who operated in partnership and 27.6 percent of those who operated in cooperative had primary school education.

### 5.2.41 What SMEDAN Can Do to Alleviate Some of the Problems

Table 97 reveals some of the activities SMEDAN can carry out to alleviate some of the problems of micro enterprises. The measures are ranked based on the priorities of the respondents and the results show that 21.9 percent of those who prefer entrepreneurship training ranked it no 1 while 30.1 percent ranked it no 2; 6.9 percent of those who prefer vocational skill upgrading ranked it no 1 while 30.2 percent ranked it no 2. Also, 11.9 percent of those who prefer facilitation of access to market ranked it no 1 while 42.2 percent ranked it no 2.

#### 5.2.42 Business Plan by Ownership Status

Table 98 is an indication of the proportion of micro enterprises in Nigeria that prepare business plan and those that did not. About 44.5 percent of micro enterprises in Nigeria prepare business plans while 55.5 percent did not prepare business plan.

#### 5.2.43 Member of Association

Table 99 reveals that 86.5 percent of the micro enterprises in Nigeria did not belong to any Business Membership Association. However, 8.0 percent and 3.4 percent belong to trade Association and Cooperative Societies respectively.

#### 5.2.44 Total Number of Workers by Sector as at December 2010

Workers comprise person who are engaged in the enterprise and the owners of enterprise. A total number of 32,375,406 workers are engaged in the micro enterprises. About 16.73 million are owners of the enterprise, while 15.64 million are engaged in operation. 51.4 per cent work in the Wholesale and Retail Trade, Repair of Motor vehicles and Household Goods. 16.9 per cent are engaged in the Manufacturing Sector, while the least of the workers are in the Health and Social Sector, representing 0.1 per cent.

### 5.3 Contribution of MSMEs to the Gross Domestic Product (GDP)

One of the key objectives of study was to ascertain the contribution of the MSMEs to the nation's gross domestic product (GDP). To achieve this, data was collected to reflect the structure of the economy especially as regards the major economic sectors that has an element of micro, small and medium activities. The analysis was carried out for twelve (12) activity sectors of the economy which include; agriculture, hunting, forestry and fishing; mining and quarrying; manufacturing; building and construction; wholesale and retail trade; hotel and restaurants; transport, storage and communications; financial intermediation; real estate, renting and business activities; education; health and social work; and other community, social and personal services.

At the end of the analysis which was carried out for the year 2010, it was found that the MSMEs contributed 46.54 percent to Nigeria's GDP in nominal terms.

The result further showed that in terms of contribution to each sector, MSMEs made the highest contribution to other community, social, personal service activities then followed by real estate, renting and business activities and agricultural activities (Fig 50).

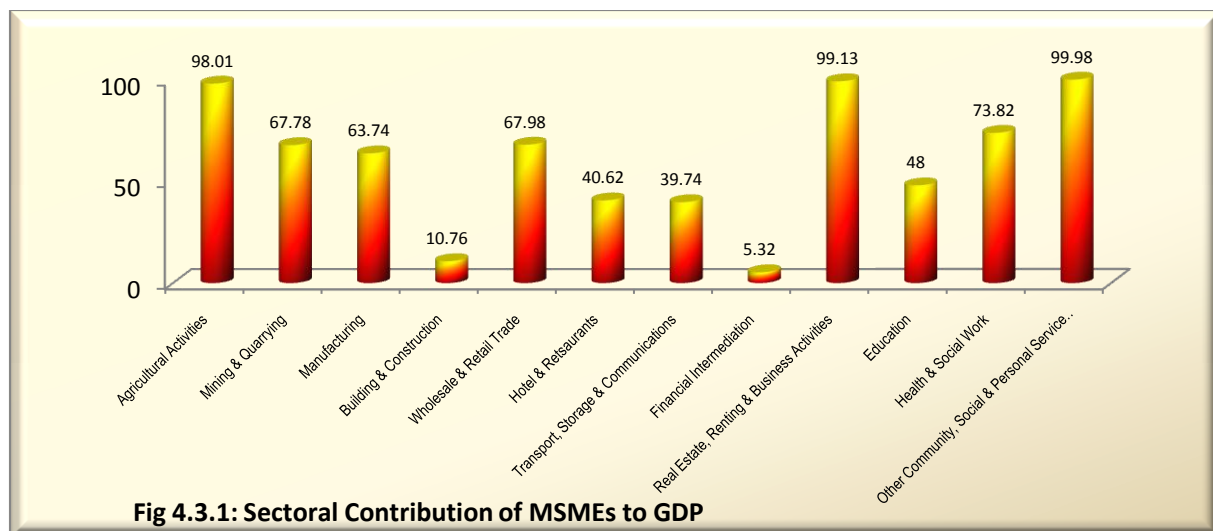


Figure 49 Sectoral Contribution of MSMEs to GDP

Following this sub-section is the analysis on the contribution of the MSMEs to each activity sector.

### 5.3.1 Agriculture, Hunting, Forestry and Fishing

Agriculture in Nigeria can be broken into two major segments; private farmers and corporate farms. The private farmers constitute the highest percentage both in number and output and by definition they are classified as micro and small enterprises while the corporate farms are largely medium enterprises while a small percentage operates at large scale.

This study shows that MSMEs contribute 98.01 percent of the GDP produced in this sector. Further breakdown of this result showed that the micro enterprises in this sector contributed 69.58 percent to nominal GDP while the small and medium enterprises contributed 25.27 and 3.16 percent of the GDP produced from this sector.

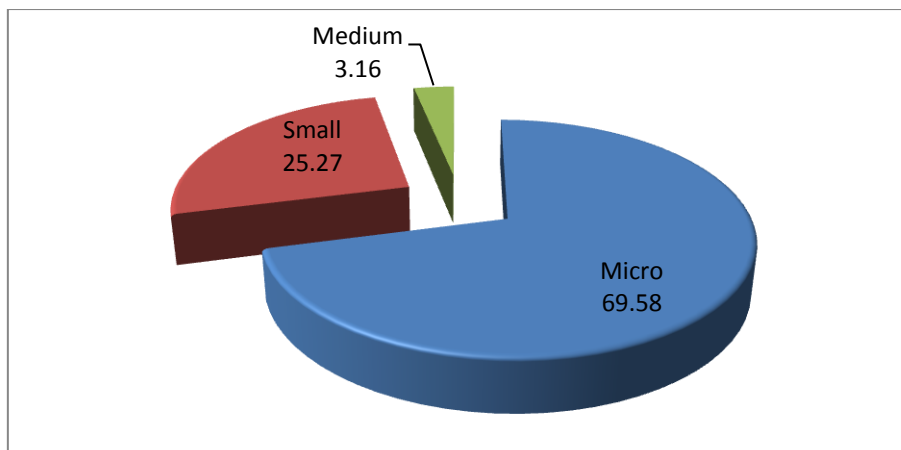
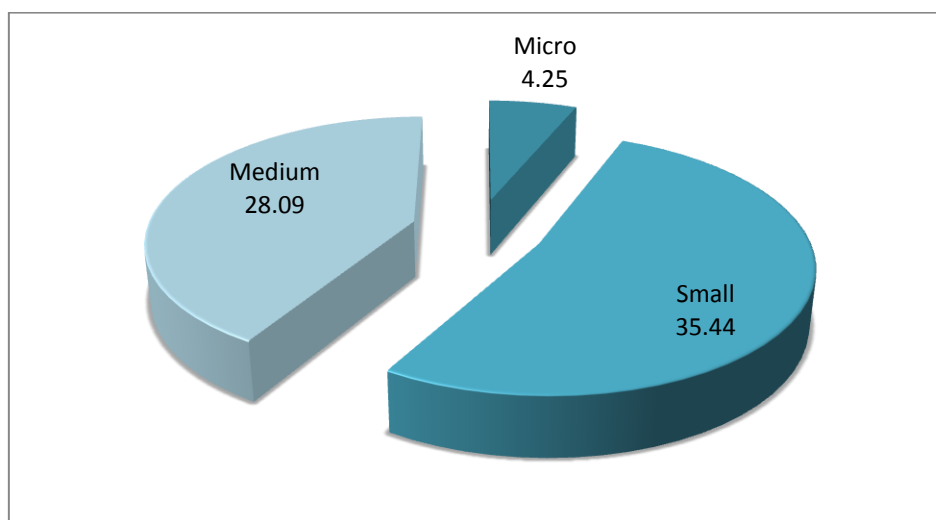


Figure 50 MSMEs Contribution to Agriculture GDP

### 5.3.2 Mining and Quarrying

Activities in this sector comprises of coal mining, metal ore and other mining & quarrying activities such as stone crushing. At N30.97 billion worth of MSMEs output in this sector, it was found that MSMEs contribute 67.78 per cent to activities in this sector. A breakdown of this contributions showed that most of the activities were from small and medium scale enterprises in this sector which contributed 35.44 and 28.09 per cent, respectively, while the micro enterprises contribute 4.25 per cent.

Figure 51 MSMEs Contribution to Mining & Quarrying GDP



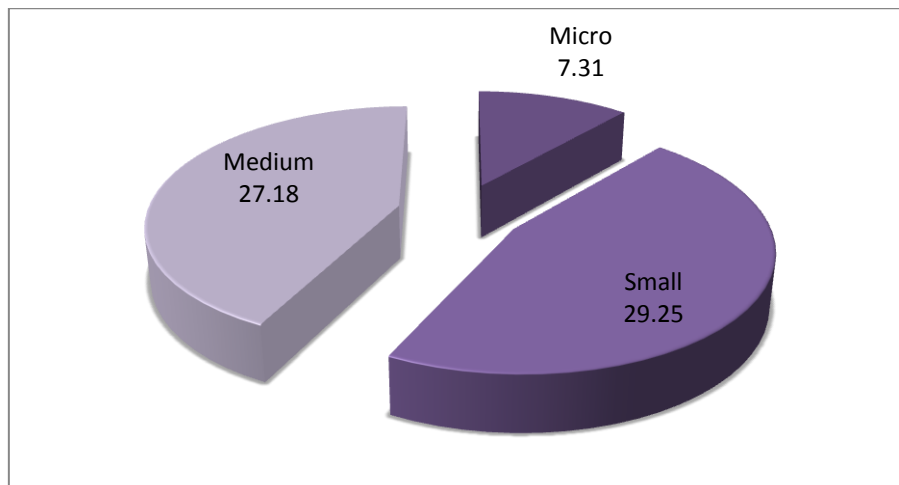
### 5.3.3 Manufacturing

The manufacturing sector as compiled in 33 activities sectors of Nigeria's GDP is made up of oil refining, cement and other manufacturing. However, given the large scale nature of the oil refining and cement sub-sectors, this study found that MSME activities were prominent in the other manufacturing sub-sector.

Activities under the other manufacturing sub-sector includes food, beverages & tobacco, textile, apparel & footwear, wood & wood products; pulp, paper & publishing, non-metallic products, domestic/industrial plastic & rubber, electrical & electronics, basic metal, iron & steel and motor vehicle & miscellaneous assembly.

The analysis showed that the MSMEs contributes 63.74 per cent to the other manufacturing sector GDP with micro enterprises contributing 7.31 per cent, small enterprises contributing 29.25 per cent and the medium scale enterprises contributing 27.18 per cent.

Figure 52 MSMEs Contribution to Manufacturing GDP



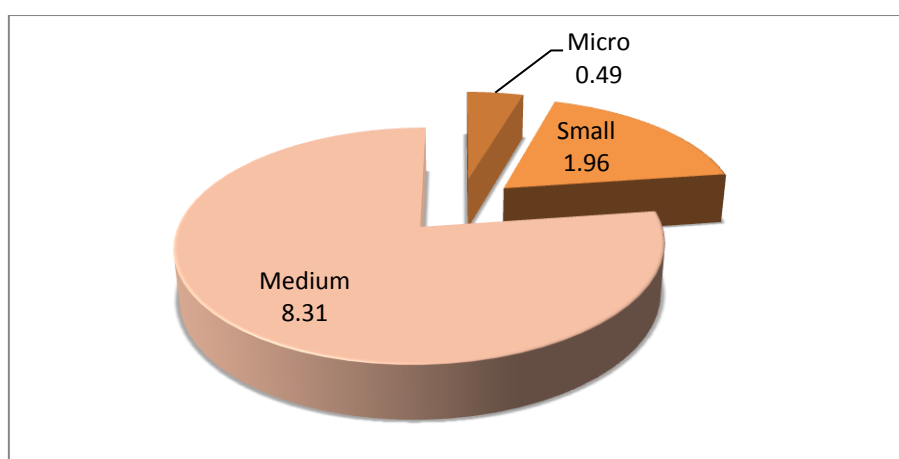
### 5.3.4 Building and Construction

Activities in this sector can be classified into two distinct groups; building such as residential and non-residential and other construction which includes roads, bridges, dams, airport, etc. In every aspect of this sector in Nigeria MSMEs can be found either at the local government, state or national level. Activities in this sector are more on the building of residential and non-residential houses by both

the private and public sector. Most of the activities in this regard are carried out at MSME level. However, a large chunk of activities in this sector is carried out in construction activities which are usually high-valued government financed projects executed by the various tiers of government in the country.

Analysis of the data collected from the sector for 2010 showed that the MSMEs activities contribute 10.76 per cent of the total value of activities in this sector, out of this portion the medium enterprises contributed 8.31 per cent which the small and micro enterprises contributed 1.96 and 0.49 per cent respectively.

Figure 53 MSMEs Contribution to Building & Construction GDP



### 5.3.5 Wholesale and Retail Trade

The wholesale and retail trade activities constitute a dominant sector in business activities engaged by majority of Nigerians. Due to the large population of the country and the geographical spread, activities in this sector form a major component of the people's means of economic sustenance. Operators in this sector depending on their capital can engage in trading activities in various scales either micro, small, medium or large.

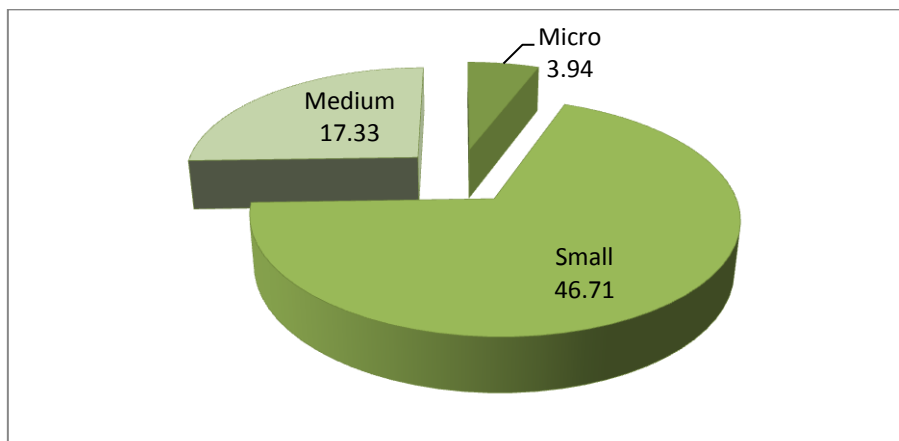
However, given the definition of MSMEs adopted in this study it was found that despite the large capital outlay used by most operators in this sector their employment size still qualify them to be classified as small scale enterprises.

The study found that MSMEs in this sector contribute as much as 67.98 per cent of total output from this sector; this was largely driven by the small scale



enterprises which contribute 46.71 per cent while the medium scale and micro enterprises contribute 17.33 and 3.94 per cent, respectively.

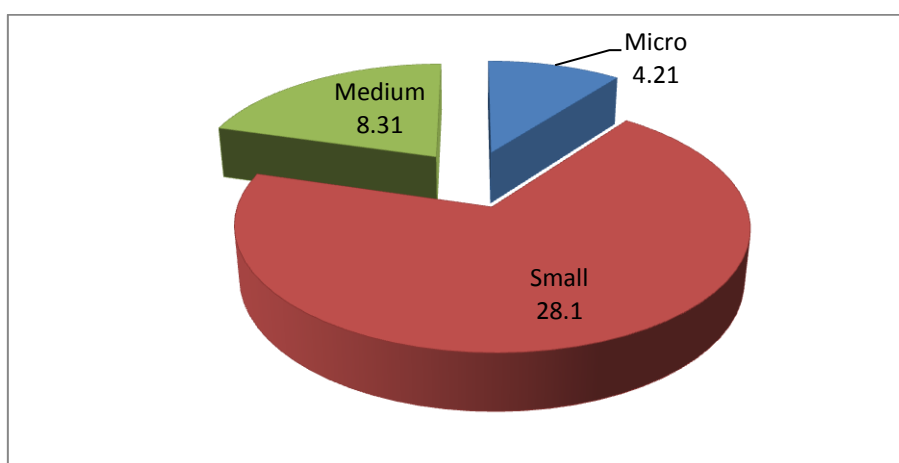
Figure 54 MSMEs Contribution to Wholesale & Retail Trade GDP



#### 5.3.6 Hotels and Restaurants

The study found that the hotel component of the sector comprises of small, medium and large scale enterprises while the restaurants component is dominated by micro enterprises. The analysis showed that MSMEs contribute 40.62 per cent to activities in this sector's GDP. It further showed that 28.10 per cent of this ratio comes from small scale enterprises, 8.31 per cent from medium scale enterprises and 4.21 per cent from micro enterprises.

Figure 55 MSMEs Contribution to Hotels & Restaurants GDP

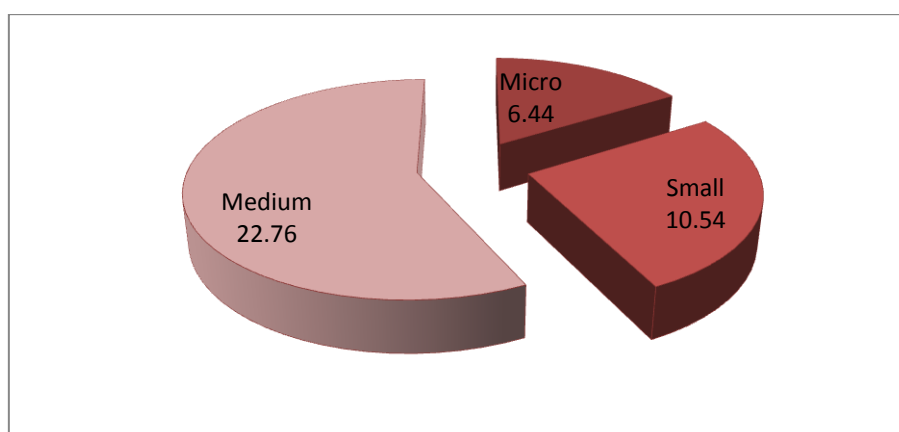


### 5.3.7 Transport, Storage and Communications

Activities captured under this grouping include telecommunications, postal/courier services, storage facilities and transportation which comprises road, rail, water, air and other transport services. The telecommunications, air transport, postal services, rail transport and water transportation were found to be dominated by large scale enterprises.

The study found that MSMEs operating in this sector contributes 39.74 per cent to the sector's output. Of this percentage, the medium scale enterprises contribute 22.76 per cent followed by the small scale enterprises which contribute 10.54 per cent and micro enterprises which contribute 6.44 per cent.

Figure 56 MSMEs Contribution to Transport, Storage & Communications GDP

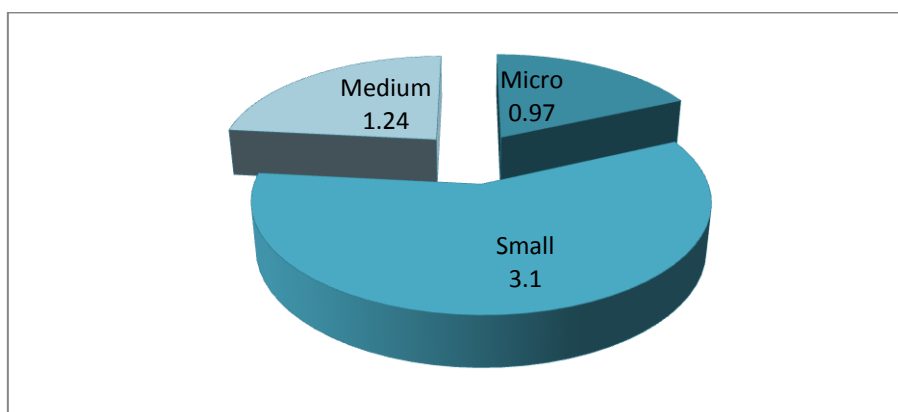


### 5.3.8 Financial Intermediation

Activities in this sector were captured from the formal and informal financial intermediaries. On the formal part are the banks and other financial institutions including insurance companies while the informal intermediaries operate in form cooperative groups.

The study showed that the contribution of MSMEs to this sector's GDP stood at 5.32 per cent in 2010 which reflected that the small scale intermediaries contributed the highest with 3.10 per cent while the medium and micro enterprises contributed 1.24 and 0.97 per cent, respectively.

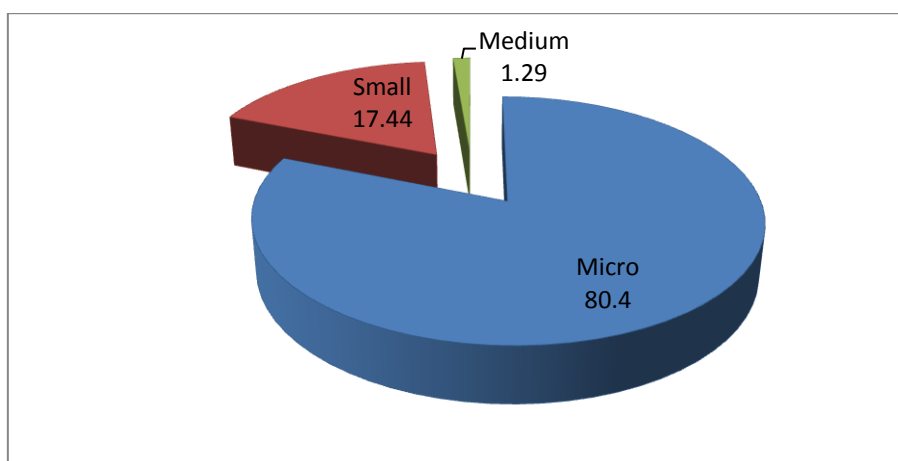
Figure 57 MSMEs Contribution to Financial Intermediation GDP



### 5.3.9 Real Estate, Renting and Business Activities

The structure of activities in this sector in Nigeria is usually carried out on micro scale level due to the capital and human resource requirements. Analysis of the GDP from this sectors showed that MSMEs contribute 99.13 per cent of the total output from this sector. This dominated by output from micro enterprises which contributes 80.40 per cent. The data showed that small and medium enterprises contributed 17.44 and 1.29 per cent, respectively to this sector's GDP in 2010.

Figure 58 MSMEs Contribution to Real Estate, Renting &amp; Business Services GDP

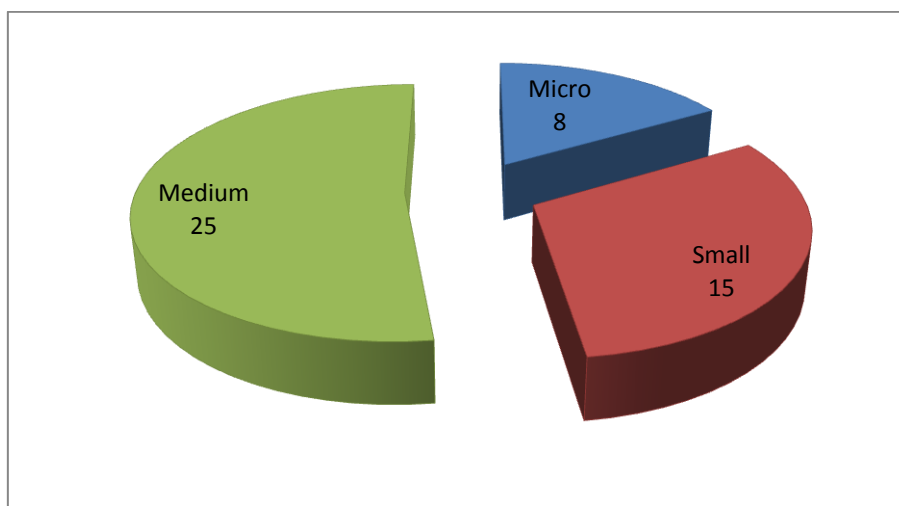


### 5.3.10 Education

The micro, small and medium enterprises (MSMEs) operating in this sector were found to contribute 48.00 per cent of the education sector GDP. A breakdown of this ratio shows that medium scale enterprises contributed 25.00 per cent, the

small scale enterprises contributed 15.00 per cent and the micro operators contributed 8.00 per cent.

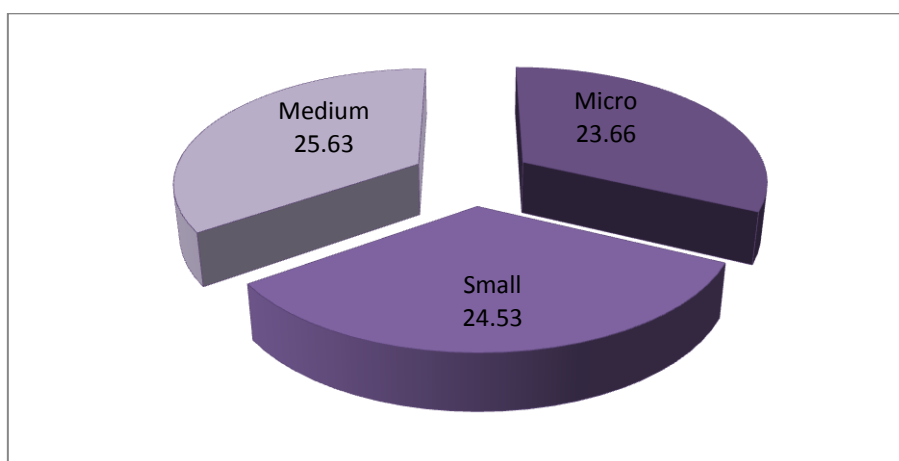
Figure 59 MSMEs Contribution to Education Sector GDP



#### 5.3.11 Health and Social Work

The contribution of MSMEs to the total GDP from this sector in 2010 stood at 73.82 per cent which reflected that micro enterprises contributed 23.66 per cent, small enterprises 24.53 per cent and medium scale enterprises 25.63 per cent.

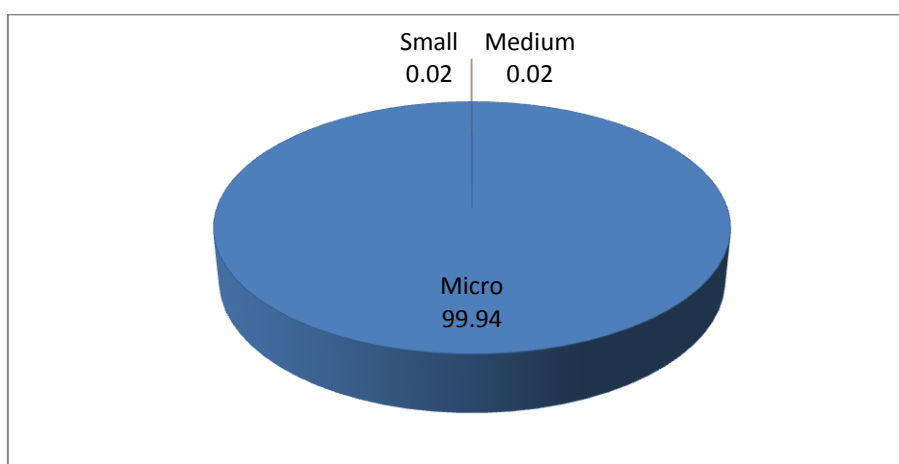
Figure 60 MSMEs Contribution to Health & Social Work GDP



### 5.3.12 Other Community, Social and Personal Services

Activities covered under sector include most informal service oriented activities such as barbing saloon, hair-dressing, laundry services, etc. This sector is mostly controlled by micro scale enterprises which contributed 99.94 per cent to the sector's GDP while the small and medium scale enterprises contributed 0.02 per cent each resulting in total contribution of 99.98 per cent by MSMEs.

Figure 61 MSMEs Contribution to Other Community, Social & Personal Services Sector GDP



## 6 KEY FINDINGS, CONCLUSIONS AND POLICY RECOMMENDATIONS

### 6.1 Key Findings

The key findings as revealed in the 2010 National MSME Survey are as follows:

#### 1. INITIAL START-UP CAPITAL.

The result of the survey shows that the initial start – up capital of micro enterprises were predominantly less than fifty thousand Naira (81%). While Small and Medium enterprises were predominantly less than ten Million Naira, constituting 83.2%.

#### 2. TOTAL NUMBER OF ENTERPRISES

The total number of micro enterprises stood at 17,261,753, Small 21,264 and Medium 1,654, totaling 17,284,671.

#### 3. TOTAL NUMBER OF ENTERPRISES BY SECTOR

The result of the survey revealed that for small and medium enterprises, manufacturing sector has the highest number of enterprises, comprising 5,939 small enterprises and 713 medium enterprises, totalling 6,652 enterprises. The lowest number of 134 small enterprises and 33 medium enterprises, totalling 167 enterprises comes from Mining and Quarrying. But for micro enterprises, wholesale/retail trades, repair of motor vehicles and household goods had the highest record of enterprises (53.2%), while health and social work had the lowest figure of 0.1%.

#### 4. TOTAL NUMBER OF ENTERPRISES BY STATE

The survey result showed that Lagos State has the highest number of small and medium enterprises, comprising 4,146 small enterprises and 389 medium enterprises, totalling 4,535 enterprises.

The lowest number of enterprises is recorded in Bayelsa State with 134 small enterprises and zero medium enterprise. In terms of micro enterprises, Lagos state had the highest figure of 880,805 enterprises, followed by Kano (872,552 enterprises), while Abuja (FCT) had the lowest record of (272,579 enterprises).

#### 5. THE MAIN CHALLENGES CONFRONTING THE OPERATIONS OF MSMEs IN NIGERIA.

The main challenges and constraints confronting the operations of MSMEs in Nigeria were ranked in order of severity as lack of access to finance, weak

infrastructure and inconsistency of government policies, lack of work space, and multiple taxation.

## **6. MSMEs CONTRIBUTION TO EMPLOYMENT**

The survey reveals that, a total of 32,414,884 persons were employed by the sector as at December 2010. This consists of 39,478 persons in the small and medium enterprises, representing 22,139 males (56.1 percent) and 17,339 females (43.9 percent). The micro enterprises employed 32,375,406, comprising 18,662,943 males and 13,712,463 females representing 57.65 percent and 42.35 percent respectively.

## **7. OWNERSHIP STRUCTURE BY GENDER**

The female entrepreneurs accounted for 42.1% in the ownership structure as against 57.9% for male in micro enterprises. While female accounts for 13.57% as against 86.43% for male in the Small and Medium Enterprises.

## **8. OWNERSHIP STRUCTURE BY AGE.**

The Age bracket of 36-50years dominates, accounting for 41.6% as against 27.9% for 26-35 years and 6.6% below 25 years of age in the micro enterprises category. In the small and medium enterprises category, 36 -50 years of age also dominates, accounting for 43.6% as against of 13.40% for under 36 years of age.

## **9. SKILLS GAP BY SECTOR**

Qualified artisans are predominantly readily available in the education sector (66.9%), followed by Health and Social sector (65.9%) and transport, storage and communication sector (56.9%) in the micro enterprises. In the Small and Medium enterprises, qualified artisans not readily available stood at 46.1%, 40%, 32.0%, and 30.2% for education, agriculture, Manufacturing and Building/Construction respectively.

## **10. CAPACITY UTILIZATION**

The average capacity utilization in manufacturing sector is 56.4%, while the average in mining and quarrying sector is 49.6%. The mining and quarrying sector is operating below optimum capacity.

## **11. PRIORITY AREAS OF ASSISTANCE**

The survey revealed three priority areas of assistance to MSMEs as Access to finance, provision of infrastructure (roads, market, and workspace) adequate and regular power and water supply.

## **12. OWNERSHIP OF PATENT RIGHTS**

About 94.7% of the micro enterprise do not have patent right .Hence their intellectual property are not protected. In the small and Medium enterprises category about 64.1% do not have patent right too. They are also ignorant of the availability of patent information, such patent information will advance and improve their process and produce know-how making them to be globally competitive.

## **13. BUSINESS INSURANCE OF MSMEs**

Only 42.5% of the Small and Medium enterprises are insured, leaving 57.5% as uninsured. In the micro enterprises, about 98.5% are not insured.

## **14. MEMBERSHIP OF ASSOCIATIONS**

In the small and medium enterprises about 61.0% do not belong to any association while for micro enterprises, 86.5% do not belong to any association.

## **15. SOURCES OF CAPITAL**

The sources of capital for the enterprises are predominantly personal savings, representing 84.6% for micro enterprises and 54.4% for small and medium enterprises. Family sources and loan stood at 29.8% and 9.2% respectively for small and medium enterprises as against 9.2% and 29.8% for loan and family sources respectively for micro enterprises.

## **16. MARKET CHANNEL OF PRODUCTS/SERVICES**

The dominant market channel for the enterprises is the same locality, accounting for 89.8% for micro enterprises and 89.2% for small and medium enterprises.

## **17. BENEFICIARY OF SMEDAN SERVICES**

Only 2.9% of micro enterprises benefited from SMEDAN services as against 9.5% of Small and Medium enterprises within the period under review.

## **18. AWARENESS OF SMEDAN**

About 5% of the micro enterprises are aware of SMEDAN, while 45.5% of the Small and Medium enterprises are also aware of SMEDAN .In some states ,the awareness of SMEDAN is very embarrassing recording 100% of non-awareness.

## **19. BUSINESS REGISTRATION**

About 95.3% of the micro enterprises are not registered, while 19.22% of the small and medium enterprises are not registered. This calls for mainstreaming the informal economy into the formal assistance and intervention.



## 20. BUSINESS TURNOVER

82.8% of micro enterprises had turnover below N50, 000.00 in 2009 as against 76.7% percent in 2010, reflecting an improvement of 6.1%. Business turnover of between N50, 000.00 and N1000, 000.00 stood at 11.3% and 14.0% in 2009 and 2010 respectively, representing an increase of 2.7%. While in the small and medium enterprises, the business turnover of below six million stood at 51.7% and 78.7% in 2009 and 2010 respectively, an indication of a better performance of 27% when compared. Turnover of between 6-15 million naira witnessed an improvement in 2010, representing 14.7% and 7.4% in 2009 and 2010 respectively.

## 21. PREPARATION OF BUSINESS PLAN

21.76% of the small and medium enterprises do not prepared business plan, while 55.5% of micro enterprises operate without a business plan.

## 22. MSMEs CONTRIBUTION TO THE GROSS DOMESTIC PRODUCT(GDP)

The survey reveals that MSMEs contributed 46.54 percent to the GDP in nominal terms as at December 2010. However, other community, social and personal services, real estate, renting and business activities and agricultural activities recorded the highest, representing 99.98 percent, 99.13 percent and 98.01 percent respectively. While building, construction and financial intermediation recorded the lowest, representing 10.76 percent and 5.32 percent respectively.

## 6.2 Conclusion

The survey covered Micro, Small and Medium enterprises employing 1-199 persons. The Micro aspect of the survey covered enterprises employing 1-9 person(s) and it is classified as informal sector. The formal sector (Small and Medium) covered enterprises engaging 10-199 persons.

The survey generated a lot of data and the result is no doubt revealing, considering the key findings. Micro enterprises dominated with highest number of enterprises, while Small and Medium enterprises result showed strong correlation in the number of enterprises recorded in states like Lagos, Kano to mention but few.

The immense financial assistance received from the Small and Medium Enterprise Development Agency of Nigeria (SMEDAN) on the survey did not only

enhanced the capability of the National Bureau of Statistics (NBS) in achieving high response rate but also gave a lot of credence to the result of the survey. The calibre of officers used for the exercise accounted for the high achievement. Adequate publicity was another factor that contributed to the success of the survey.

On the other hand, the attitude of some enterprises who delayed their questionnaire or outright refusal is regrettable. The adverse consequences of these actions are far reaching to the nation in government's planning and transformation programmes for the benefit of the people. The Government economic programmes and policy formulation cannot be meaningfully achieved without reliable data on Micro, Small and Medium Enterprises (MSMEs) in Nigeria.

This baseline survey report which is the first in its series has presented a vivid statistical report on Micro, Small and Medium Enterprises (MSMEs) activities in Nigeria in the year 2010. It has revealed relevant statistics on MSMEs activities. The report also presents the contribution of MSMEs to the nation's Gross Domestic Product (GDP). It is expected that useful policy would emerge from the major findings of this survey. The recommendations made in this report will assist policy-makers in Nigeria in their ploy to move the economy forward.

Finally, this survey should be sustained in order to have series on economic indicators.

### 6.3 Policy Recommendations

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1. A proactive strategy is necessary to address the 6 key constraints faced by the sector:

- Access to finance
- Weak infrastructure
- Inconsistency of Government Policies
- Lack of work space
- Multiple taxation
- Obsolete technology

2. There is an urgent need for renewal and upgrading of MSMEs infrastructure located in the existing Industrial Development Centres through

cluster development approach. The development process needs to be implemented properly and should be strengthened with ample work space and provision of cluster common infrastructure to enhance their productivity.

3. MSMEs generally lack the understanding and ability to determine the competencies that are required by an employee to fulfil his/her role. These skill gaps exist in all the sectors. MSMEs will need to invest in training and development that leads to skill development and job enhancement. Government through SMEDAN should strive to provide a solution to the skill gaps in the MSME sub-sector. This makes the issue of capacity building an important area to focus upon. The building of new and renovation of existing technical colleges is highly advised.

4. The competitiveness of any economy depends on how efficient all the resources in the process of production are utilized and how efficient these are marketed, hence the entire chain of production has to be efficient. This means that the process of production has to be cost efficient and meets quality needs of the consumers. The operational cost of MSMEs should be addressed towards attaining cost efficiency through the use of latest technology. The issue of power outages and other basic infrastructure such as access roads and transportation should also be addressed.

5. Most of the MSMEs do not have patent right and their intellectual property are not protected. The Ministry of Trade and Investment, SMEDAN and NOTAP should assist the MSMEs in this regard by setting up an intellectual property facilitation cell, which will provide a range of intellectual property related services, such as prior art search, patent landscape and interface for technology transfer.

6. SMEDAN services to MSMEs should be restructured for positive impact. The Agency should be able to provide a wide spectrum of technical services to the MSMEs. These should include common facilities for testing, tool room services, technology up-gradation, modernization, quality improvement, training for entrepreneurship development, a number of training for skill up-gradation, preparation of project and product profiles, technical and managerial consultancy,

assistance for exports and advocacy to government on issues affecting MSMEs in Nigeria.

7. On access to finance by MSMEs, SMEDAN should critically address this constraint by evolving a Credit Rating Scheme and Credit Guarantee Scheme for the sub-sector. This will make financing the sub sector attractive to banks and other investors.

8. Awareness/information dissemination of SMEDAN and SMEDAN activities are very poor as revealed by the survey. The current knowledge dissemination system is limited in its outreach. There is a need to develop a better communication strategy and use of new age media tools.

9. Most of the MSMEs are not registered. Hence, creating a huge informal economy with its adverse implication on Government policies and programmes. SMEDAN should strive to mainstream these huge informal enterprises to the formal economy.

10. Most of the sectors are operating below optimum capacity. SMEDAN should endeavour to enhance their capacity.

## Appendix

Table 1 Summary of the Activities on Information, Advisory Services and Sensitization at the Head Office & Other Centres for the Year 2010

LOCATION	1ST QUARTER	2 <sup>ND</sup> QUARTER	3 <sup>RD</sup> QUARTER	4 <sup>TH</sup> QUARTER	TOTAL
Head Office	152	255	159	169	735
BSCs	444	423	182	338	1,387
BICs	49	65	212	47	373
Other States	10,262	2,404	415	14,417	27,498
<b>Total</b>	<b>10,907</b>	<b>3,147</b>	<b>968</b>	<b>14,971</b>	<b>29,993</b>

Table 2 Distribution of Workload and Fieldstaff by Zone and State for Informal and Formal Components of the Survey

S/N	ZONE	STATE	NO. Of EAs to be covered	NO. HH Enterprises to be covered	No. Interviewers for Informal (HH Enterprises)	No. Of Supervisors for Informal (HH Enterprises)	No. Of Establishm ent to be covered	No. Of Intervie wer for Formal	No. Of Supervis ors for formal
1.	North Central	Plateau	30	300	4	2	142	7	1
		Benue	30	300	4	2	54	3	1
		Nasarawa	30	300	4	2	63	3	1
		Kogi	30	300	4	2	58	3	1
		Kwara	30	300	4	2	51	3	1
		Niger	30	300	4	2	76	4	1
		FCT Abuja	30	300	4	2	124	6	1
		<b>Sub-Total</b>		<b>210</b>	<b>2100</b>	<b>28</b>	<b>14</b>	<b>568</b>	<b>29</b>
2.	North. East	Borno	30	300	4	2	29	1	-
		Yobe	30	300	4	2	29	1	-
		Bauchi	30	300	4	2	89	4	1
		Adamawa	30	300	4	2	40	2	1
		Gombe	30	300	4	2	55	3	1
		Taraba	30	300	4	2	37	2	1
		<b>Sub-Total</b>		<b>180</b>	<b>1800</b>	<b>24</b>	<b>12</b>	<b>279</b>	<b>13</b>

Table 2 Distribution of Workload and Fieldstaff by Zone and State for Informal and Formal Components of the Survey (CONTD)

S/N	ZONE	STATE	NO. Of EAs to be covered	NO. HH Enterprises to be covered	No. Interviewers for Informal (HH Enterprises)	No. Of Supervisors for Informal (HH Enterprises)	No. Of Establishment to be covered	No. Of Interviewer for Formal	No. Of Supervisors for formal
3.	North West	Kaduna	30	300	4	2	185	9	1
		Katsina	30	300	4	2	71	4	1
		Kano	30	300	4	2	304	14	2
		Kebbi	30	300	4	2	35	2	1
		Sokoto	30	300	4	2	85	4	1
		Jigawa	30	300	4	2	35	2	1
		Zamfara	30	300	4	2	58	3	1
<b>Sub-Total</b>			<b>210</b>	<b>2100</b>	<b>28</b>	<b>14</b>	<b>773</b>	<b>38</b>	<b>8</b>
4.	South East	Enugu	30	300	4	2	76	4	1
		Abia	30	300	4	2	108	5	1
		Ebonyi	30	300	4	2	69	3	1
		Imo	30	300	4	2	90	4	1
		Anambra	30	300	4	2	103	5	1
<b>Sub-Total</b>			<b>150</b>	<b>1500</b>	<b>20</b>	<b>10</b>	<b>446</b>	<b>21</b>	<b>5</b>

Table 2 Distribution of Workload and Fieldstaff by Zone and State for Informal and Formal Components of the Survey (CONTD)

S/N	ZONE	STATE	No. of EAs to be covered	NO. HH Enterprises to be covered	No. Interviewers for Informal (HH Enterprises)	No. Of Supervisors for Informal (HH Enterprises)	No. Of Establishment to be covered	No. Of Interviewer for Formal	No. Of Supervisors For formal
5.	South-South	C/River	30	300	4	2	67	3	1
		A/Ibom	30	300	4	2	55	3	1
		Rivers	30	300	4	2	148	7	1
		Bayelsa	30	300	4	2	20	1	-
		Delta	30	300	4	2	100	5	1
		Edo	30	300	4	2	180	9	1
<b>Sub-Total</b>			<b>180</b>	<b>1800</b>	<b>24</b>	<b>12</b>	<b>570</b>	<b>28</b>	<b>5</b>
6.	South West	Oyo	30	300	4	2	213	11	1
		Ondo	30	300	4	2	92	5	1
		Osun	30	300	4	2	74	4	1
		Lagos	30	300	4	2	830	43	6
		Ekiti	30	300	4	2	41	2	1
		Ogun	30	300	4	2	114	6	1
<b>Sub-Total</b>			<b>180</b>	<b>1800</b>	<b>24</b>	<b>12</b>	<b>1364</b>	<b>71</b>	<b>11</b>
<b>Grand Total</b>			<b>1,110</b>	<b>11,100</b>	<b>148</b>	<b>74</b>	<b>4,000</b>	<b>200</b>	<b>40</b>

Table 3 Number of Small and Medium Enterprises by State

STATE	Employment Size Band				TOTAL
	10 - 49		50 - 199		
	Number	Percentage	Number	Percentage	
Abia	526	98.62	7	1.38	534
Adamawa	235	95.58	11	4.42	245
Akwa Ibom	275	87.48	39	12.52	315
Anambra	656	89.01	81	10.99	737
Bauchi	497	91.02	49	8.98	545
Bayelsa	134	100.00	0	0.00	134
Benue	357	95.63	16	4.37	374
Borno	131	77.95	37	22.05	168
Cross River	318	87.02	47	12.98	365
23`Delta	576	94.64	33	5.36	608
Ebonyi	232	94.99	12	5.01	244
Edo	899	96.83	29	3.17	929
Ekiti	280	98.41	5	1.59	285
Enugu	402	93.03	30	6.97	432
Gombe	225	88.02	31	11.98	255
Imo	534	92.97	40	7.03	574
Jigawa	217	93.81	14	6.19	231
Kaduna	1,137	88.72	145	11.28	1,282
Kano	1,740	96.21	69	3.79	1,808
Katsina	464	86.86	70	13.14	535
Kebbi	221	95.13	11	4.87	232
Kogi	328	96.67	11	3.33	340
Kwara	415	93.66	28	6.34	443
Lagos	4,146	91.43	389	8.57	4,535
Nassarawa	387	92.43	32	7.57	418
Niger	433	90.48	46	9.52	478
Ogun	506	92.73	40	7.27	546
Ondo	596	97.13	18	2.87	614
Osun	100	100.00	0	0.00	100
Oyo	1,300	93.26	94	6.74	1,394
Plateau	613	92.56	49	7.44	663
Rivers	662	91.65	60	8.35	723
Sokoto	562	96.68	19	3.32	581
Taraba	242	97.80	5	2.20	247
Yobe	150	96.50	5	3.50	156
Zamfara	341	100.00	0	0.00	341
FCT	427	84.17	80	15.83	507
TOTAL	21,264	92.78	1,654	7.22	22,918



Table 4 Total Number of Small and Medium Enterprises by Sector

SECTOR	10 - 49		50 - 199		TOTAL
	Number	Percentage	Number	Percentage	
Agriculture, Hunting, Forestry and Fishing	696	92.77	54	7.23	750
Mining and Quarrying	134	80.43	33	19.57	167
Manufacturing	5,939	89.28	713	10.72	6,652
Building and Construction	194	81.13	45	18.87	239
Wholesale and Retail Trade; Repair of Motor Vehicles and Household goods	3,916	96.90	125	3.10	4,041
Hotels and Restaurants	2,088	94.52	121	5.48	2,209
Transport, Storage and Communication	680	83.89	131	16.11	811
Financial Intermediation	2,166	93.22	158	6.78	2,323
Real Estate, Renting and Business Activities	908	94.62	52	5.38	960
Education	1,508	93.75	101	6.25	1,608
Health and Social Work	2,542	95.75	113	4.25	2,654
Other Community, Social and Personal Service Activities	495	97.98	10	2.02	505
TOTAL	21,264	92.78	1,654	7.22	22,918

STATE	Sector												
	Agriculture, Hunting, Forestry and Fishing	Mining and Quarrying	Manufacturing	Building and Construction	Wholesale and Retail Trade; Repair of Motor Vehicles and HH	Hotels and Restaurants	Transport, Storage and Communication	Financial Intermediation	Real Estate, Renting and Business	Education	Health and Social Work	Other Community, Social and Personal Service Activities	TOTAL
Abia	41	2	177	5	162	26	16	0	31	34	50	10	553
Adamawa	18	4	41	7	22	37	0	20	21	17	50	10	245
Akwa Ibom	23	0	68	2	37	32	22	39	21	17	50	5	315
Anambra	27	0	251	0	88	63	27	39	24	67	188	15	791
Bauchi	14	4	81	5	103	79	54	59	7	134	50	26	615
Bayelsa	0	0	14	5	7	37	11	0	0	50	0	10	134
Benue	9	0	81	2	74	37	44	39	21	84	0	0	390
Borno	5	0	61	2	29	11	0	0	3	17	25	15	168

<b>Cross River</b>	9	5	81	2	59	63	11	39	10	17	88	10	395
<b>Delta</b>	41	0	109	2	74	79	16	158	14	50	100	5	647
<b>Ebonyi</b>	14	13	75	0	44	21	16	20	10	34	0	41	287
<b>Edo</b>	14	56	224	9	125	126	49	158	38	17	138	20	973
<b>Ekiti</b>	14	0	95	0	59	11	0	20	7	50	25	5	285
<b>Enugu</b>	50	2	34	11	88	47	27	59	21	34	75	0	448
<b>Gombe</b>	32	24	54	9	74	16	5	20	17	0	0	5	255
<b>Imo</b>	27	2	88	5	96	47	27	79	52	34	125	10	591
<b>Jigawa</b>	9	0	102	5	15	21	16	0	0	34	25	5	231
<b>Kaduna</b>	45	2	272	29	287	116	33	177	76	34	200	26	1,295
<b>Kano</b>	45	9	978	11	427	121	60	0	45	17	50	66	1,829
<b>Katsina</b>	32	0	143	7	132	47	71	20	17	67	0	10	546
<b>Kebbi</b>	27	0	68	2	81	37	0	0	7	0	25	0	247
<b>Kogi</b>	18	0	88	0	22	53	11	79	17	0	63	0	350
<b>Kwara</b>	5	0	68	5	59	26	33	177	24	50	0	0	446
<b>Lagos</b>	72	9	1,195	36	545	295	71	335	200	452	526	128	3,862
<b>Nassarawa</b>	23	5	143	2	118	42	0	39	10	0	50	0	432
<b>Niger</b>	5	0	197	0	66	79	27	20	14	67	13	5	492
<b>Ogun</b>	18	2	122	2	81	58	5	98	14	34	113	46	593
<b>Ondo</b>	5	4	149	7	140	68	11	98	31	0	113	20	646
<b>Osun</b>	0	0	68	0	22	0	0	0	10	0	0	0	100
<b>Oyo</b>	32	7	272	20	294	121	54	177	110	117	200	61	1,467
<b>Plateau</b>	0	16	20	11	155	142	5	39	28	50	175	20	663
<b>Rivers</b>	5	0	156	18	140	95	27	138	10	34	100	15	738
<b>Sokoto</b>	18	4	170	11	191	37	11	59	10	34	50	5	600
<b>Taraba</b>	14	0	75	0	22	16	5	20	0	34	63	0	247
<b>Yobe</b>	14	0	34	0	22	26	16	39	3	0	0	5	160
<b>Zamfara</b>	45	0	81	5	169	11	27	20	10	0	0	0	368
<b>FCT</b>	5	0	75	2	81	132	27	39	55	34	38	26	512
<b>TOTAL</b>	768	168	6,009	239	4,210	2,272	838	2,323	987	1,709	2,767	627	22,918

Table 5 Number of Enterprise by State and Sector

Table 6 Initial Start-Up Capital

Total Capital (₦-Million)	No. of Enterprises	Percentage
<b>Below 10</b>	17,199	<b>83.2</b>
<b>10 – 20</b>	1,441	<b>7.0</b>
<b>21 – 30</b>	414	<b>2.0</b>
<b>31 – 40</b>	147	<b>0.7</b>
<b>41 – 50</b>	358	<b>1.7</b>
<b>Above 50</b>	1,120	<b>5.4</b>
<b>TOTAL</b>	<b>20,679</b>	<b>100.0</b>

Table 7 Initial Start-Up Capital by Sector

Million Naira	Below 10		10 - 20		21 - 30		31 - 40		41 - 50		Above 50		Total
	Num.	Percentage	Num.	Percentage	Num.	Percentage	Num.	Percentage	Num.	Percentage	Num.	Percentage	
Agriculture, Hunting, Forestry and Fishing	588	83.9	50	7.1	9	1.3	9	1.3	5	0.6	41	5.8	701
Mining and Quarrying	145	86.0	18	10.8	0	0.0	0	0.0	0	0.0	5	3.2	168
Manufacturing	4,902	85.7	394	6.9	48	0.8	14	0.2	61	1.1	299	5.2	5,717
Building and Construction	158	79.5	23	11.4	0	0.0	0	0.0	5	2.3	14	6.8	198
Wholesale and Retail Trade; Repair of Motor Vehicles and HH	3,503	88.5	199	5.0	52	1.3	29	0.7	22	0.6	155	3.9	3,960
Hotels and Restaurants	1,489	74.9	205	10.3	84	4.2	32	1.6	68	3.4	110	5.6	1,988
Transport, Storage and Communication	549	75.9	82	11.3	11	1.5	11	1.5	11	1.5	60	8.3	724
Financial Intermediation	1,260	59.3	335	15.7	118	5.6	0	0.0	118	5.6	295	13.9	2,127
Real Estate, Renting and Business Activities	712	86.6	41	5.0	10	1.3	7	0.8	10	1.3	41	5.0	822
Education	1,307	90.7	0	0.0	17	1.2	34	2.3	34	2.3	50	3.5	1,441
Health and Social Work	2,041	90.6	75	3.3	50	2.2	13	0.6	25	1.1	50	2.2	2,254
Other Community, Social and Personal Service Activities	546	93.9	20	3.5	15	2.6	0	0.0	0	0.0	0	0.0	581
TOTAL	17,199	83.2	1,441	7.0	414	2.0	147	0.7	358	1.7	1,120	5.4	20,680

Table 8 Total Capital by Enterprises as at December 2010 ( national)

Total Capital (N'Million)	Total No Of Enterprises	Percentage
<b>Below 10</b>	14,231	<b>68.9</b>
<b>10 - 20</b>	2541	<b>12.3</b>
<b>21 - 30</b>	1028	<b>5.0</b>
<b>31. 40</b>	581	<b>2.8</b>
<b>41 - 50</b>	315	<b>1.5</b>
<b>Above 50</b>	<b>1967</b>	<b>9.5</b>

Table 9 Total Capital by State as at December 2010

STATE	Below 10		10 - 20		21 - 30		31 - 40		41 - 50		Above 50		TOTAL
	Num.	Percent age	Num.	Percent age	Num.	Percent age	Num.	Percent age	Num.	Percent age	Num.	Percent age	
Abia	455	86.7	41	7.8	22	4.2	0	0.0	5	0.9	2	0.4	525
Adamawa	148	63.0	25	10.5	12	4.9	17	7.3	0	0.0	34	14.3	235
Akwa Ibom	187	71.7	5	2.1	7	2.6	0	0.0	0	0.0	61	23.6	261
Anambra	499	63.7	108	13.8	54	6.9	25	3.2	17	2.2	81	10.3	784
Bauchi	361	77.1	12	2.6	12	2.6	20	4.2	7	1.6	56	11.9	468
Bayelsa	88	82.8	8	7.1	0	0.0	5	5.0	5	5.1	0	0.0	106
Benue	274	70.3	47	12.1	11	2.8	11	2.7	20	5.0	28	7.1	390
Borno	97	67.8	16	11.0	17	11.7	14	9.5	0	0.0	0	0.0	143
Cross River	272	74.6	43	11.8	0	0.0	7	1.9	5	1.4	38	10.3	364
Delta	304	53.7	103	18.2	53	9.3	20	3.5	18	3.1	69	12.3	566
Ebonyi	187	73.8	19	7.4	5	2.1	7	2.9	5	1.8	30	12.0	253
Edo	714	74.5	51	5.3	77	8.0	42	4.4	13	1.3	62	6.4	959
Ekiti	141	52.8	74	27.6	28	10.6	20	7.4	0	0.0	5	1.7	267
Enugu	198	60.2	36	11.0	24	7.3	20	6.0	0	0.0	51	15.5	330
Gombe	130	50.9	68	26.5	7	2.9	14	5.3	0	0.0	37	14.4	255
Imo	451	76.2	57	9.6	16	2.7	17	2.8	20	3.3	32	5.3	591
Jigawa	189	81.6	36	15.5	0	0.0	0	0.0	0	0.0	7	2.9	231
Kaduna	527	52.9	103	10.4	118	11.8	33	3.3	32	3.2	184	18.5	997
Kano	1,519	87.0	123	7.0	34	1.9	20	1.1	11	0.6	41	2.3	1,746
Katsina	398	73.5	24	4.5	37	6.9	45	8.4	0	0.0	36	6.7	541
Kebbi	186	75.4	29	11.8	0	0.0	5	1.8	11	4.6	16	6.4	247
Kogi	225	66.7	69	20.5	0	0.0	35	10.3	5	1.6	3	1.0	338
Kwara	137	36.2	122	32.2	47	12.4	33	8.8	5	1.4	34	9.1	378
Lagos	2,287	62.1	518	14.1	159	4.3	82	2.2	79	2.1	556	15.1	3,680
Nassarawa	379	90.0	32	7.5	0	0.0	0	0.0	0	0.0	11	2.5	421
Niger	366	85.2	46	10.7	5	1.3	0	0.0	0	0.0	12	2.8	430
Ogun	436	77.8	48	8.5	26	4.7	0	0.0	11	1.9	40	7.1	560
Ondo	435	72.5	104	17.3	7	1.2	14	2.4	7	1.2	32	5.3	600
Osun	87	86.5	7	6.8	0	0.0	0	0.0	0	0.0	7	6.8	100
Oyo	864	77.6	113	10.1	67	6.0	25	2.2	7	0.6	38	3.4	1,113
Plateau	354	55.4	189	29.6	32	5.0	14	2.2	13	2.0	36	5.7	638
Rivers	279	51.3	73	13.3	69	12.8	14	2.5	0	0.0	109	20.1	544
Sokoto	399	67.7	44	7.5	29	4.9	14	2.4	8	1.4	95	16.1	589
Taraba	91	48.7	30	15.7	53	28.3	7	3.6	0	0.0	7	3.6	188
Yobe	107	81.1	20	14.9	0	0.0	0	0.0	0	0.0	5	4.0	132
Zamfara	331	91.6	12	3.3	0	0.0	0	0.0	0	0.0	19	5.2	361
FCT	129	39.2	89	27.1	0	0.0	3	1.0	13	3.8	95	28.8	330
<b>TOTAL</b>	<b>14,231</b>	<b>68.9</b>	<b>2,541</b>	<b>12.3</b>	<b>1,028</b>	<b>5.0</b>	<b>581</b>	<b>2.8</b>	<b>315</b>	<b>1.5</b>	<b>1,967</b>	<b>9.5</b>	<b>20,662</b>

Table 10 Total Capital by Sector as at December 2010

Sector	Below 10		10 - 20		21 - 30		31 - 40		41 - 50		Above 50		Total
	Num.	Percent age	Num.	Percent age	Num.	Percent age	Num.	Percent age	Num.	Percent age	Num.	Percent age	
Agriculture, Hunting, Forestry and Fishing	520	74.2	59	8.4	27	3.9	18	2.6	18	2.6	59	8.4	701
Mining and Quarrying	130	77.4	16	9.7	5	3.2	11	6.5	2	1.1	4	2.2	168
Manufacturing	4,189	73.4	591	10.3	170	3.0	136	2.4	61	1.1	564	9.9	5,710

Building and Construction	108	54.5	36	18.2	5	2.3	11	5.7	2	1.1	36	18.2	198
Wholesale and Retail Trade; Repair of Motor Vehicles and HH	3,069	77.5	316	8.0	155	3.9	52	1.3	66	1.7	302	7.6	3,960
Hotels and Restaurants	1,241	62.4	352	17.7	79	4.0	68	3.4	63	3.2	184	9.3	1,988
Transport, Storage and Communication	441	61.8	103	14.5	44	6.1	27	3.8	27	3.8	71	9.9	713
Financial Intermediation	571	26.9	473	22.2	413	19.4	177	8.3	59	2.8	433	20.4	2,127
Real Estate, Renting and Business Activities	612	74.5	100	12.1	17	2.1	14	1.7	3	0.4	76	9.2	822
Education	1,055	73.3	151	10.5	84	5.8	17	1.2	0	0.0	134	9.3	1,441
Health and Social Work	1,753	77.8	313	13.9	25	1.1	50	2.2	13	0.6	100	4.4	2,254
Other Community, Social and Personal Service Activities	541	93.0	31	5.3	5	0.9	0	0.0	0	0.0	5	0.9	581
<b>TOTAL</b>	<b>14,231</b>	<b>68.9</b>	<b>2,541</b>	<b>12.3</b>	<b>1,028</b>	<b>5.0</b>	<b>581</b>	<b>2.8</b>	<b>315</b>	<b>1.5</b>	<b>1,967</b>	<b>9.5</b>	<b>20,662</b>

Table 11 Ownership Status

Form of Ownership	Number	Percent
Sole Proprietorship	13,169	57.5
Partnership	1,898	8.3
Private Limited Liability	6,239	27.2
Cooperative	298	1.3
Faith Based Organisation	1,081	4.7
Others	233	1.0
Total	22,918	100.0

Table 12 Ownership Status by Sector

SECTOR	Sole Proprietorship		Partnership		Private Liability Limited		Cooperative		Religious Organisation		Others		TOTAL
	Num.	Percentage	Num.	Percentage	Num.	Percentage	Num.	Percentage	Num.	Percentage	Num.	Percentage	
Agriculture, Hunting, Forestry and Fishing	533	4.1	36	1.9	163	2.6	32	10.6	5	0.4	0	0.0	768
Mining and Quarrying	98	0.7	16	0.9	40	0.6	13	4.3	0	0.0	2	0.8	168
Manufacturing	3,741	28.4	428	22.5	1,630	26.1	61	20.5	122	11.3	27	11.6	6,652
Building and Construction	86	0.6	32	1.7	115	1.8	7	2.3	0	0.0	0	0.0	239
Wholesale and Retail Trade; Repair of Motor Vehicles and HH	2,878	21.9	397	20.9	824	13.2	15	4.9	66	6.1	29	12.6	4,041
Hotels and Restaurants	1,441	10.9	195	10.3	552	8.9	0	0.0	68	6.3	16	6.8	2,272
Transport, Storage and Communication	397	3.0	82	4.3	283	4.5	11	3.7	54	5.0	11	4.7	838
Financial Intermediation	295	2.2	118	6.2	1,556	24.9	118	39.6	177	16.4	59	25.3	2,323
Real Estate, Renting and Business Activities	516	3.9	127	6.7	303	4.9	7	2.3	17	1.6	17	7.4	987
Education	1,139	8.6	201	10.6	184	3.0	0	0.0	168	15.5	17	7.2	1,709
Health and Social Work	1,565	11.9	225	11.9	513	8.2	25	8.4	388	35.9	50	21.5	2,767
Other Community, Social and Personal Service Activities	479.4	3.6	40.8	2.1	76.5	1.2	10.2	3.4	15.3	1.4	5.1	2.2	627
<b>TOTAL</b>	<b>13,169</b>	<b>100.0</b>	<b>1,898</b>	<b>100.0</b>	<b>6,239</b>	<b>100.0</b>	<b>298</b>	<b>100.0</b>	<b>1,081</b>	<b>100.0</b>	<b>233</b>	<b>100.0</b>	<b>22,918</b>

Table 13 Gender of Owner (Sole Proprietorship)

Sector	Male		Female		Total
	Number	Percentage	Number	Percentage	
Agriculture, Hunting, Forestry and Fishing	488	92.31	41	7.69	529
Mining and Quarrying	96	98.15	2	1.85	98
Manufacturing	3,565	93.09	265	6.91	3,830
Building and Construction	83	97.37	2	2.63	86
Wholesale and Retail Trade; Repair of Motor Vehicles and HH	2,576	89.51	302	10.49	2,878
Hotels and Restaurants	1,099	76.56	337	23.44	1,436
Transport, Storage and Communication	386	97.26	11	2.74	397
Financial Intermediation	256	92.86	20	7.14	276
Real Estate, Renting and Business Activities	468	90.67	48	9.33	516
Education	687	62.12	419	37.88	1,106
Health and Social Work	1,377	89.43	163	10.57	1,540

Other Community, Social and Personal Service Activities	301	62.77	179	37.23	479
<b>TOTAL</b>	<b>11,383</b>	<b>86.43</b>	<b>1,787</b>	<b>13.57</b>	<b>13,169</b>

**Table 14 Age of Owner (Sole Proprietorship)**

Age	Frequency	Percent
Below 20	77	0.6
20 - 25	131	1.0
26 - 35	1,570	11.9
36 - 50	5,742	43.6
51 - 60	3,538	26.9
Above 60	2,112	16.0
Total	13,169	100.0

**Table 15 Highest Qualification Attained by Owner**

Form of Ownership	Number	Percent
No Education	1,179	9.0
Non Formal Education	428	3.2
Primary School	1,347	10.2
Secondary	2,805	21.3
Technical	299	2.3
NCE/ND	1,692	12.8
B.Sc/HND	4,063	30.9
Post-Graduate	1,356	10.3
Total	13,169	100.0

**Table 16 Initial Total Assets at Inception**

Amount (N'Million)	Number	Percentage
Below 10	15,776	78.5
10 - 20	1,582	7.9
21 - 30	411	2.0
31 - 40	226	1.1

41 - 50	453	2.3
Above 50	1,637	8.2
Total	20,085	100.0

Table 17 Total Asset Value as at December 2010

Amount (N'Million)	Number	Percentage
Below 10	13,316	66.1
10 - 25	2,491	12.4
26 - 45	792	3.9
46 - 65	667	3.3
66 - 85	450	2.2
Above 85	2,444	12.1
Total	20,160	100.0

Table 18 Source of Capital

Source	Number	Percentage
Personal Savings	15,028	54.4
Loan	6,091	22.0
Family Source	5,121	16.7
Cooperative/Esusu	1,405	5.1
Parents	259	0.9
Friends	243	0.9
Total	27,645	100.0

Table 19 Business Monthly Sales (Turnover) 2009

Amount (N'Million)	Number	Percentage
Below 6	10,064	51.7
6 - 15	2,870	14.7
16 - 25	1,092	5.6
26 - 35	794	4.1
36 - 45	463	2.4
Above 45	4,196	21.5
Total	19,479	100.0



Table 20 Business Monthly Sales (Turnover) 2010

Amount (N'Million)	Number	Percentage
Below 6	15,866	78.7
6 - 15	1,497	7.4
16 - 25	581	2.9
26 - 35	407	2.0
36 - 45	215	1.1
Above 45	1,590	7.9
Total	20,156	100.0

Table 21 Business Monthly Cost of Operation

Amount (N'million)	Number	Percentage
Below 6	17,726	89.2
6 - 15	1,038	5.2
16 - 25	270	1.4
26 - 35	147	0.7
36 - 45	72	0.4
Above 45	610	3.1
Total	19,863	100.0

Table 22 Promotional Media by the Enterprise

Promotional Media	Number	Percentage
Television	4,246	12.8
Newspaper Advertisement	3,782	11.4
Handbill Distribution	5,775	17.4
Person-to-Person	8,318	25.0
Radio Advertisement	4,730	14.2
Billboard	3,799	11.4
Business Card	1,010	3.0
Label	463	1.4
Trade Fair	468	1.4
Sales Promotion	363	1.1
Sales Discount	322	1.0
Total	33,276	100.0

Table 23 Business Insurance

SECTOR	INSURED		NOT INSURED		TOTAL
	Number	Percentage	Number	Percentage	
Agriculture, Hunting, Forestry and Fishing	235	30.6	533	69.4	768
Mining and Quarrying	36	21.5	132	78.5	168
Manufacturing	2,173	36.2	3,836	63.8	6,009
Building and Construction	108	45.3	131	54.7	239
Wholesale and Retail Trade; Repair of Motor Vehicles and Household goods	1,369	32.5	2,841	67.5	4,210
Hotels and Restaurants	1,120	49.3	1,152	50.7	2,272
Transport, Storage and Communication	403	48.1	435	51.9	838
Financial Intermediation	1,969	84.7	354	15.3	2,323
Real Estate, Renting and Business Activities	358	36.2	630	63.8	987
Education	553	32.4	1,156	67.6	1,709
Health and Social Work	1,290	46.6	1,477	53.4	2,767
Other Community, Social and Personal Service Activities	128	20.3	500	79.7	627
<b>TOTAL</b>	<b>9,741</b>	<b>42.5</b>	<b>13,177</b>	<b>57.5</b>	<b>22,918</b>

Table 24 Daily Usage of Alternative Source of Power

Sector	1 - 5 Hours		6 - 10 Hours		11 - 15 Hours		16 - 20 Hours		Total
	Num.	Percentage	Num.	Percentage	Num.	Percentage	Num.	Percentage	
Agriculture, Hunting, Forestry and Fishing	303	39.4	226	29.4	131	17.1	108	14.1	768
Mining and Quarrying	62	36.6	67	39.8	16	9.7	24	14.0	168
Manufacturing	2,166	36.0	2,247	37.4	801	13.3	794	13.2	6,009
Building and Construction	81	34.0	97	40.6	29	12.3	32	13.2	239
Wholesale and Retail Trade; Repair of Motor Vehicles and Household goods	2,046	48.6	1,501	35.7	383	9.1	280	6.6	4,210
Hotels and Restaurants	573	25.2	700	30.8	579	25.5	421	18.5	2,272
Transport, Storage and Communication	473	56.5	245	29.2	38	4.5	82	9.7	838
Financial Intermediation	906	39.0	906	39.0	256	11.0	256	11.0	2,323
Real Estate, Renting and Business Activities	399	40.4	402	40.8	124	12.5	62	6.3	987
Education	972	56.9	486	28.4	184	10.8	67	3.9	1,709
Health and Social Work	889	32.1	876	31.7	426	15.4	576	20.8	2,767
Other Community, Social and Personal Service Activities	255	40.7	240	38.2	87	13.8	46	7.3	627
<b>TOTAL</b>	<b>9,124</b>	<b>39.8</b>	<b>7,993</b>	<b>34.9</b>	<b>3,054</b>	<b>13.3</b>	<b>2,747</b>	<b>12.0</b>	<b>22,918</b>

Table 25 Employment by Sex as at Commencement of Business

SEX	10 - 49		50 - 199		Total
	Number	Percentage	Number	Percentage	
<b>Male</b>	21,346	96.6	760	3.4	22,106
<b>Female</b>	15,512	97.6	378	2.4	15,890
<b>TOTAL</b>	<b>36,858</b>	<b>97.0</b>	<b>1,138</b>	<b>3.0</b>	<b>37,996</b>

Table 26 Employment by Sector as at Commencement

Sector	MALE				Total	FEMALE				Total
	10 - 49		50 - 199			10 - 49		50 - 199		
	Num.	Percent age	Num.	Percent age		Num.	Percent age	Num.	Percent age	
Agriculture, Hunting, Forestry and Fishing	705	96.9	23	3.1	728	470	96.30	18	3.70	488
Mining and Quarrying	147	88.0	20	12.0	167	116	95.52	5	4.48	121
Manufacturing	5,534	94.3	333	5.7	5,867	3,198	96.12	129	3.88	3327
Building and Construction	212	88.7	27	11.3	239	133	100.00	0	0.00	133
Wholesale and Retail Trade; Repair of Motor Vehicles and HH	3,923	97.6	96	2.4	4,019	2,370	98.17	44	1.83	2414
Hotels and Restaurants	2,172	97.6	53	2.4	2,225	1,936	99.46	11	0.54	1946
Transport, Storage and Communication	772	93.4	54	6.6	827	462	95.51	22	4.49	484
Financial Intermediation	2,225	98.3	39	1.7	2,264	1,851	96.91	59	3.09	1910
Real Estate, Renting and Business Activities	932	96.8	31	3.2	963	722	99.06	7	0.94	729
Education	1,625	99.0	17	1.0	1,642	1,508	97.83	34	2.17	1541
Health and Social Work	2,579	97.6	63	2.4	2,642	2,329	97.89	50	2.11	2379
Other Community, Social and Personal Service Activities	520	99.0	5	1.0	525	418	100.00	0	0.00	418
<b>TOTAL</b>	<b>21,346</b>	<b>96.6</b>	<b>760</b>	<b>3.4</b>	<b>22,106</b>	<b>15,512</b>	<b>97.62</b>	<b>378</b>	<b>2.38</b>	<b>15891</b>

Table 27 Employment by Sex as at December 2010

SEX	10 - 49		50 - 199		Total
	Number	Percentage	Number	Percentage	
Male	20,485	92.5	1,654	7.5	22,139
Female	16,326	94.2	1,013	5.8	17,339
<b>TOTAL</b>	<b>36,811</b>	<b>93.2</b>	<b>2,667</b>	<b>6.8</b>	<b>39,478</b>

Table 28 Employment by Sector as December 2010

Sector	MALE					FEMALE					M + F
	10 - 49		50 - 199		Total	10 - 49		50 - 199		Total	TOTAL
	Num.	Percentage	Num.	Percentage		Num.	Percentage	Num.	Percentage		
Agriculture, Hunting, Forestry and Fishing	696	92.8	54	7.2	750	457	99.02	5	0.98	461	<b>1,211</b>
Mining and Quarrying	134	80.4	33	19.6	167	121	95.71	5	4.29	127	<b>293</b>
Manufacturing	5,160	87.9	713	12.1	5,873	3,504	91.98	306	8.02	3,809	<b>9,683</b>
Building and Construction	194	81.1	45	18.9	239	151	94.37	9	5.63	160	<b>398</b>
Wholesale and Retail Trade; Repair of Motor Vehicles and HH	3,916	96.9	125	3.1	4,041	2,635	98.08	52	1.92	2,686	<b>6,727</b>
Hotels and Restaurants	2,088	94.5	121	5.5	2,209	1,999	96.20	79	3.80	2,078	<b>4,287</b>
Transport, Storage and Communication	680	83.9	131	16.1	811	473	93.55	33	6.45	506	<b>1,316</b>
Financial Intermediation	2,166	93.2	158	6.8	2,323	1,910	91.51	177	8.49	2,087	<b>4,411</b>
Real Estate, Renting and Business Activities	908	94.6	52	5.4	960	777	98.69	10	1.31	788	<b>1,748</b>
Education	1,508	93.8	101	6.3	1,608	1,524	93.81	101	6.19	1,625	<b>3,233</b>
Health and Social Work	2,542	95.8	113	4.2	2,654	2,341	90.78	238	9.22	2,579	<b>5,233</b>
Other Community, Social and Personal Service Activities	495	98.0	10	2.0	505	434	100.00	0	0.00	434	<b>938</b>
<b>TOTAL</b>	<b>20,485</b>	<b>92.5</b>	<b>1,654</b>	<b>7.5</b>	<b>22,139</b>	<b>16,326</b>	<b>94.15</b>	<b>1,013</b>	<b>5.85</b>	<b>17,339</b>	<b>39,478</b>
	5					6					

Table 29 Educational Qualification of Employees

Educational Qualification	Number	Percentage
Primary School	12,615	16.12
Secondary School	16,944	21.65
Technical	9,151	11.69
NCE/ND	12,884	16.46
BSC/HND	11,954	15.27
Post-Graduate	5,586	7.14
Non-Formal Education	4,770	6.10
No Education	4,359	5.57
TOTAL	78,262	100.0

Table 30 Market Channel of Product(s)

Market Channel	Number	Percentage
Same Locality	7,944	24.5
Same Town	6,417	19.8
Same State	6,895	21.2
Nigeria Only	7,701	23.7
ECOWAS State	1,234	3.8
Africa Only	667	2.1
World Wide	1,625	5.0
TOTAL	32,483	100.0

Table 31 Export of Products/Services

Item	Number	Percentage
Yes	603	2.63
No	22,315	97.37
Total	22,918	100.00

Table 32 Business Association

Business Association	Number	Percentage
None	13,975	61.0
Trade Association	4,914	21.4
Professional Association	2,919	12.7
Cooperative Society	545	2.4
Faith Based Organisation	511	2.2
Others	54	0.2
<b>Total</b>	<b>22,918</b>	<b>100.0</b>

Table 33 Business Patent Right by Sector

SECTOR	PATENT RIGHT		NO PATENT RIGHT		TOTAL
	Number	Percentage	Number	Percentage	
Agriculture, Hunting, Forestry and Fishing	231	30.0	538	70.0	768
Mining and Quarrying	105	62.4	63	37.6	168
Manufacturing	2,207	36.7	3,802	63.3	6,009
Building and Construction	99	41.5	140	58.5	239
Wholesale and Retail Trade; Repair of Motor Vehicles and HH	1,340	31.8	2,870	68.2	4,210
Hotels and Restaurants	957	42.1	1,315	57.9	2,272
Transport, Storage and Communication	316	37.7	522	62.3	838
Financial Intermediation	886	38.1	1,437	61.9	2,323
Real Estate, Renting and Business Activities	282	28.6	705	71.4	987
Education	486	28.4	1,223	71.6	1,709
Health and Social Work	1,164	42.1	1,603	57.9	2,767
Other Community, Social and Personal Service Activities	153	24.4	474	75.6	627
<b>TOTAL</b>	<b>8,225</b>	<b>35.9</b>	<b>14,693</b>	<b>64.1</b>	<b>22,918</b>

Table 34 Own Patent Right by Form of Ownership

Form of Ownership	PATENT RIGHT		NO PATENT RIGHT		TOTAL
	Number	Percent	Number	Percent	
Sole Proprietorship	4,517	34.3	8,652	65.7	13,169
Partnership	854	45.0	1,044	55.0	1,898
Private Limited Liability	2,189	35.1	4,050	64.9	6,239
Cooperative	155	51.9	143	48.1	298
Faith Based Organisation	437	40.5	644	59.5	1,081
Others	73	31.5	160	68.5	233
Total	8,225	35.9	14,693	64.1	22,918

Table 35 Registered Patent Right by Sector

SECTOR	PATENT RIGHT		NO PATENT RIGHT		TOTAL
	Number	Percentage	Number	Percentage	
Agriculture, Hunting, Forestry and Fishing	231	30.0	538	70.0	768
Mining and Quarrying	105	62.4	63	37.6	168
Manufacturing	2,207	36.7	3,802	63.3	6,009
Building and Construction	99	41.5	140	58.5	239
Wholesale and Retail Trade; Repair of Motor Vehicles and HH	1,340	31.8	2,870	68.2	4,210
Hotels and Restaurants	957	42.1	1,315	57.9	2,272
Transport, Storage and Communication	316	37.7	522	62.3	838
Financial Intermediation	886	38.1	1,437	61.9	2,323
Real Estate, Renting and Business Activities	282	28.6	705	71.4	987
Education	486	28.4	1,223	71.6	1,709
Health and Social Work	1,164	42.1	1,603	57.9	2,767
Other Community, Social and Personal Service Activities	153	24.4	474	75.6	627
<b>TOTAL</b>	<b>8,225</b>	<b>35.9</b>	<b>14,693</b>	<b>64.1</b>	<b>22,918</b>



Table 36 Own Patent Right by Form of Ownership

Form of Ownership	Patent Right Registered		No Patent Right Registered		Total
	Number	Percentage	Number	Percentage	
Sole Proprietorship	3,843	84.7	693	15.3	4,536
Partnership	735	86.8	112	13.2	847
Private Limited Liability	2,026	93.0	151	7.0	2,177
Cooperative	149	96.2	6	3.8	155
Faith Based Organisation	418	95.6	19	4.4	437
Others	73	100.0	0	0.0	73
<b>TOTAL</b>	<b>7,244</b>	<b>88.1</b>	<b>981</b>	<b>11.9</b>	<b>8,225</b>

Table 37 Skills Gap by Sector

SECTOR	Qualified Artisans Readily Available		Qualified Artisans Not Readily Available		TOTAL
	Number	Percentage	Number	Percentage	
Agriculture, Hunting, Forestry and Fishing	461	60.0	307	40.0	768
Mining and Quarrying	136	80.6	33	19.4	168
Manufacturing	4,088	68.0	1,922	32.0	6,009
Building and Construction	167	69.8	72	30.2	239
Wholesale and Retail Trade; Repair of Motor Vehicles and HH	2,495	59.3	1,715	40.7	4,210
Hotels and Restaurants	1,578	69.4	694	30.6	2,272
Transport, Storage and Communication	549	65.6	288	34.4	838
Financial Intermediation	1,300	55.9	1,024	44.1	2,323
Real Estate, Renting and Business Activities	568	57.5	420	42.5	987
Education	921	53.9	787	46.1	1,709
Health and Social Work	1,903	68.8	864	31.2	2,767
Other Community, Social and Personal Service Activities	428	68.3	199	31.7	627
<b>TOTAL</b>	<b>14,593</b>	<b>63.7</b>	<b>8,325</b>	<b>36.3</b>	<b>22,918</b>

Table 38 Skills Gap by Form of Ownership

Form of Ownership	Qualified Artisans Readily Available		Qualified Artisans Not Readily Available		TOTAL
	Number	Percent	Number	Percent	
Sole Proprietorship	8,246	62.6	4,923	37.4	13,169
Partnership	1,238	65.2	660	34.8	1,898
Private Limited Liability	4,180	67.0	2,059	33.0	6,239
Cooperative	176	59.0	122	41.0	298
Faith Based Organisation	618	57.1	463	42.9	1,081
Others	136	58.1	98	41.9	233
<b>TOTAL</b>	<b>14,593</b>	<b>63.7</b>	<b>8,325</b>	<b>36.3</b>	<b>22,918</b>

Table 39 Major Government Policy That Affect Businesses Most Favourably

Policy	Most Favourable Policy	
	Number	Percentage
Environment Sanitary	1,307	20.2
Road Maintenance	1,366	21.1
Importation of raw materials	341	5.3
Job creation	189	2.9
Taxation	308	4.8
Exchange rate	167	2.6
Intervention Fund	296	4.6
Power supply	461	7.1
Political stability	726	11.2
Banking reform	282	4.4
Fertilizer production	175	2.7
No Response	853	13.2
Total	6,471	100.0

Table 40 Major Government Policy That Affect Businesses Most Unfavourably

Policy	Most Unfavourable Policy	
	Number	Percent
Power supply	2,161	18.50

Taxes	3,922	33.58
Demolition	429	3.67
Traffic Control	218	1.87
Environmental Sanitation	154	1.32
Infrastructure/Social Amenities	922	7.89
Importation of Fuel	892	7.64
Trade Permit	407	3.48
Withdrawal of Subsidies	858	7.35
Introduction of Sharia	282	2.42
Poverty Alleviation	213	1.83
Custom Duties	90	0.77
Banning of Importation of goods	160	1.37
Interest Rate	599	5.13
Pension	194	1.66
Embargo on Loan Facilities	178	1.52
<b>Total</b>	<b>11,679</b>	<b>100.00</b>

Table 41 Top Priority Areas of Assistance

Item	Number	Percentage
Provide financial institutions	2,570	5.7
Adequate transport facilities	3,919	8.7
Adequate and regular power and water supply	7,045	15.6
Reduced rate of taxation	1,483	3.3
Reduced care for medical treatment	649	1.4
Reduced interest rate	927	2.1
Regular fuel supply at approved rate	359	0.8
Financing/Financial assistance	11,151	24.7
Provide farm inputs ((seeding, equipment, fertilizer etc)	3,150	7.0
Facilitate quality product	618	1.4
Provision of infrastructure (access roads, market, work space	8,600	19.0
Provide security	2,131	4.7
Provision of equipment spare parts/raw materials	2,556	5.7
<b>TOTAL</b>	<b>45,159</b>	<b>100.0</b>

Table 42 Capacity Utilization in Manufacturing

Product Label	Number of Establishments	Unit of Measurement	Installed Capacity	Quantity Produced	Capacity Utilized	Weighted Capacity
Fish fillets, other fish meal and fish livers and roes, fresh or chilled	7	Kg	33,964	16,354	48.15	337.06
Fish, fish fillets, other fish meat and fish livers and roes, frozen	7	Kg	197	100	50.78	355.49
Fruit juices and vegetable juices	7	Liters	40,769	39,769	97.55	682.83
Palm, coconut, palm kernel, babassu and linseed oil, crude	7	Liters	500	204	40.74	285.18
Palm coconut, palm kernel, babassu and linseed oil and their fractions, refined but not chemically modified; castor tung and jojoa oil and fixed vegetable fats and oils	54	Liters	5,097,314	4,957,675	97.26	5,252.07
Processed liquid milk	7	Liters	13,580	9,778	72.00	504.00
Milk and cream in solid forms	14	Kg	3,802,828	1,093,190	28.75	402.45
Yoghurt and other fermented or acidifeid milk and cream	7	Liters	25,580	13,580	53.09	371.62
Ice cream and other edible ice	14	Liters	3,566,448	3,160,446	88.62	1,240.63
Cereal flours other than of wheat or meslin	20	Kg	2,707,248	1,707,248	63.06	1,261.24
rice, semi or wholly milled	41	Kg	77,068,673	13,826,070	17.94	735.54
Starches; inulin; wheat gluten; dexrins and other modified starches	7	Kg	1,344,420	1,222,200	90.91	636.36
Tapioca and substitutes thereof prepared from starch, in the form of flakes, grains, siftings or similar forms	20	Kg	1,873,938	847,858	45.24	904.89
Preparations used in animal feeding n.e.c	20	M/Tons	115,430	61,110	52.94	1,058.82
Gingerbread and other bakers' wares	7	M/Tons	500	340	67.90	475.30
Other bread and other bakers' wares	448	Kg	18,453,977	8,054,569	43.65	19,553.76
Refined cane or beet sugar and chemically pure sucrose, in solid form, not containing added flavouring or colouring matter	14	M/Tons	98,795	49,907	50.52	707.22
Other food products	34	M/Tons	377,443	141,417	37.47	1,273.88
Ethyl alcohol and other spirits, denatured, of any strenght	14	Hect	183,615	89,479	48.73	682.24
Waters (including mineral waters and aerated waters), not sweetned nor flavoured, except natural water; ice and snow	319	Liters	24,659,358	21,417,466	86.85	27,706.20
Other non-alcoholic beverages	34	Hect	3,140,375	2,897,972	92.28	3,137.56
Cotton, carded or combed	7	Sq Meter	5,000	1,019	20.37	142.59
Cotton sewing thread	27	Sq Meter	1,000	598	59.75	1,613.30
Woven fabrics or cotton	7	Sq Meter	500	333	66.54	465.79
woven fabrics of man-made staple fivres, containing less than 85% of such fibres, mixed mainly or solely with cotton	7	Sq Meter	577,626	177,219	30.68	214.76

<b>Carpets and other textile floor coverings, tufted</b>	7	Sq Meter	250	197	78.76	551.35
<b>Twine, cordage, rope and cables</b>	7	Sq Meter	219,276	105,123	47.94	335.58
<b>Wearing apparel, of textile fabric, not knitted or crocheted; brassieres, corsets, suspenders and similar articles, whether or not knitted or crocheted</b>	95	Pieces	554,139	267,389	48.25	4,584.05
<b>Luggage, handbags and the like, of leather, composition leather, plastic sheeting, textile materials, vulcanized fibre or paperboard; travel sets for personal toilet sewing or shoe or clothes cleaning</b>	14	M/Tons	204,284	20,954	10.26	143.60
<b>Footwear with outer soles and uppers of rubber or plastics, other than waterproof footwear, sports footwear and footwear incorporating a protective metal toe-cap</b>	27	Pairs	2,308,770	1,088,685	47.15	1,273.17
<b>Footwear with uppers of leather, other than sports footwear incorporating a protective metal toe-cap and miscellaneous special footwear</b>	7	Pairs	3,667	2,306	62.88	440.16
<b>Wood, sawn or chipped lengthwise, sliced or peeled, of a thickness exceeding 6mm; railway or tramway sleepers (cross-ties) of wood, not impregnated</b>	54	Cubic Meter	264,131	36,223	13.71	740.56
<b>Plywood consisting solely of sheets of wood</b>	14	Cubic Meter	1,426	926	64.93	909.08
<b>Packing cases, boxes, crates, drums and similar packings, of wood; cable-drums of wood; pallets, box pallets and other load boards, of wood; casks, barrels, vats, tubs and other cooper's products and parts thereof, of wood</b>	7	M/Tons	1,425,900	1,037,000	72.73	509.08
<b>Other products of wood</b>	7	M/Tons	3,056	1,630	53.33	373.33
<b>Articles of cork and straw or other plaiting materials; baskware and wickerwork</b>	7	M/Tons	263,452,000	100,556,780	38.17	267.18
<b>Printed books, brochures, leaflets and similar printed matter, in single sheets, other than advertising material</b>	20	M/Tons	2,223,725	1,037,006	46.63	932.67
<b>Newspapers, journals and periodicals, appearing at least four times a week</b>	14	M/Tons	500,000	357,069	71.41	999.79
<b>Other printed matter</b>	14	M/Tons	341,537	125,747	36.82	515.45
<b>Gas oils</b>	7	Kg	1,000	679	67.90	475.30
<b>Ethylene, propylene, butylene, butadiene and other petroleum gases or gaseous hydrocarbons, except natural gas</b>	7	Kg	64,180	48,718	75.91	531.36
<b>Chemical elements n.e.c inorganic acids except nitric and sulphuric; inorganic oxygen compounds of boron, silicon and sulphur halogen or sulphur compounds of non-metals; sodium hydroxide; hydroxide and peroxide of magnesium; oxides, hydroxides</b>	20	M/Tons	204,719	98,719	48.22	964.43
<b>Synthetic organic colouring matter and preparations based thereon; synthetic organic products of a kind used as fluorescent brightening agents or as luminophore; colour lakes and preparations based thereon</b>	7	M/Tons	1,000	640	63.95	447.65
<b>Nitric acid; sulphuric acids; ammonia; ammonium chloride; nitrites; nitrates of potassium; ammonium carbonates; mineral or chemical fertilizers</b>	14	Kg	75,000	48,240	64.32	900.47

Synthetic rubber and factice derived from oils, and mixtures thereof with natural rubber and similar natural gums, in primary forms or in plates, sheets or strip	7	Sq Meter	5,000	3,019	60.37	422.59
Paints and varnished (including enamels and lacquers) prepared pigments, prepared opacifiers and prepared colours, vitrifiable enamels and glazes, engobes, liquid lustres and similar preparations, of a kind used in the ceramic, enamelling or glass industry	20	Liters	167,007	93,363	55.90	1,118.07
Provitamins, vitamins and hormones; glycosides and vegetable alkaloids and their salts, ethers, esters and other derivatives, antibiotics	41	Dozen	25,814,223	20,428,919	79.14	3,244.67
Medicaments, for therapeutic or prophylactic uses	7	Kg	250	136	54.32	380.24
Other pharmaceutical products or articles or articles for medical or surgical purposes	7	Kg	27,160	10,160	37.41	261.86
Soap and detergents, perfume and toilet preparations	61	M/Tons	631,300	412,232	65.30	3,983.23
Sacks and bags, of plastics	14	Kg	210,490	102,700	48.79	683.07
Articles of plastics n.e.c	81	Pieces	3,888,341	2,356,298	60.60	4,908.52
Bricks, blocks, tiles and other ceramic goods of siliceous earths	693	Pieces	284,930,481	148,693,684	52.19	36,164.86
Ceramic flags and paving, hearth or wall tiles; ceramic mosaic cubes and the like	7	Pieces	47,530	26,790	56.36	394.55
Portland cement, aluminous cement, slag cement and similar hydraulic cements, except in the form of clinkers	7	Tons	4,753	2,753	57.92	405.45
Non-refractory mortars and concretes	7	Kg	543,200	350,870	64.59	452.15
Other articles of cement, concrete or artificial stone	7	Kg	2,037	815	40.00	280.00
Articles of asbestos-cement, cellulose fibre-cement or the like	14	M/Tons	815	547	67.12	939.69
Other furniture, of a kind used in offices	20	Pieces	142,726	17,111	11.99	239.77
Other wooden furniture, of a kind used in the kitchen	7	Pieces	170	102	60.00	420.00
Other furniture n.e.c	122	Pieces	20,220,892	12,649,159	62.55	7,631.70
Mattress supports; mattresses, fitted with springs or stuffed or internally fitted with material or of cellular rubber or plastics, whether or not covered	258	Pieces	10,196,923	7,122,527	69.85	18,021.24
Other articles	7	Kg	1,000,000	679,000	67.90	475.30
Other flat-rolled products of iron or steel	7	M/Tons	6,790	4,790	70.54	493.81
Semi-finished products of lead, zinc and tin or their alloys	68	M/Tons	1,805,033	813,962	45.09	3,066.39
Door, windows and their frames and thresholds for doors, of iron, steel or aluminium	217	Pieces	1,761,407	767,804	43.59	9,459.11
Other structures (except prefabricated buildings) and parts of structures, of iron, steel or aluminium; of a capacity exceeding 300 litres, not fitted with mechanical or thermal equipment	20	M/Tons	208,331	106,294	51.02	1,020.43
Domestic metal products	20	M/Tons	845,518	543,753	64.31	1,286.20
Hand tools (including hand tools of a kind used in agriculture, horticulture or forestry, hand saws, files pillers and metal cutting shears, hand-operated spanners blow-lamps and clamps) interchangeable tools for hand tools or	14	Pieces	67,153	50,061	74.55	1,043.66

for mecahine-tools						
Tanks, casks, drums, cans, boxes and similar containers of iron, steel or aluminium, of a capacity not exceeding 300 litres, not fitted with mechanical or thermal equipment; stoppers,caps and lids	34	Tons	54,320	20,573	37.87	1,287.73
wire, rods, tubes, plates, electrodes and similar products, of base metal or of metal carbides, coated or cored with flux material, of a kind used for soldering brazing, welding or deposition of metal or of metal carbides; wire and rods, of agglomerated	27	M/Tons	10,389	5,426	52.23	1,410.08
Parts n.e.c for special purpose machines	14	M/Tons	2,451	1,664	67.87	950.14
Electricity distribution or control apparatus	7	M/Tons	40,740	25,672	63.01	441.10
Co-axial cable and other co-axial electric conductors	41	M/Tons	41,881	32,182	76.84	3,150.57
Parts and accessories n.e.c of motor vehicles	14	M/Tons	3,395,000	1,844,320	54.32	760.54
	<b>3,381</b>					<b>190,691.83</b>
<b>Overall Capacity</b>						<b>56.40</b>

Table 43 Capacity Utilization: Mining &amp; Quarrying

Product Code	Product Label	Number of Establishments	Unit of Measurement	Installed Capacity	Quantity Produced	Capacity Utilized	Weighted Capacity
1101	Coal	2	Tons	4,525	3,620	80.00	160.00
1512	Marble	18	M/Tons	57,035	25,554	44.80	806.46
1513	Stone, Sand, Clay and Granite	25	Tons	1,059,607	594,665	56.12	1,403.03
1520	Limestone	45	Tons	547,554	226,974	41.45	1,865.36
1532	Chipping	11	Tons	5,937	3,548	59.76	657.32
1620	Processing of Salt	4	Kg	16,381	14,118	86.19	344.75
1800	Borehole/Natural Water	5	Sq Meter	471	206	43.85	219.23
TOTAL		<b>110</b>					<b>5,456.15</b>
							<b>49.60</b>

Table 44 Awareness of SMEDAN

ITEM	Number	Percentage
Yes	10,436	45.5
No	12,482	54.5
Total	22,918	100.0

Table 45 Awareness of SMEDAN by State

State	Yes		No		Total
	Number	Percentage	Number	Percentage	
Abia	203	36.70	350	63.30	553
Adamawa	113	46.15	132	53.85	245
Akwa Ibom	153	48.66	162	51.34	315
Anambra	282	35.68	509	64.32	791
Bauchi	308	50.09	307	49.91	615
Bayelsa	63	47.05	71	52.95	134
Benue	192	49.15	199	50.85	390
Borno	49	29.32	119	70.68	168
Cross River	172	43.59	223	56.41	395
Delta	451	69.65	196	30.35	647
Ebonyi	97	33.91	190	66.09	287
Edo	544	55.90	429	44.10	973
Ekiti	107	37.70	178	62.30	285
Enugu	231	51.52	217	48.48	448
Gombe	143	55.85	113	44.15	255
Imo	212	35.92	379	64.08	591
Jigawa	61	26.31	170	73.69	231
Kaduna	681	52.59	614	47.41	1,295
Kano	656	35.88	1,173	64.12	1,829
Katsina	287	52.61	259	47.39	546
Kebbi	95	38.57	152	61.43	247
Kogi	180	51.46	170	48.54	350
Kwara	224	50.29	222	49.71	446
Lagos	1,864	48.26	1,998	51.74	3,862
Nassarawa	217	50.19	215	49.81	432
Niger	246	49.99	246	50.01	492
Ogun	127	21.44	466	78.56	593



Ondo	268	41.47	378	58.53	646
Osun	39	38.41	62	61.59	100
Oyo	476	32.48	990	67.52	1,467
Plateau	354	53.48	308	46.52	663
Rivers	435	59.01	302	40.99	738
Sokoto	202	33.73	398	66.27	600
Taraba	106	42.72	142	57.28	247
Yobe	85	52.88	75	47.12	160
Zamfara	117	31.87	251	68.13	368
FCT	394	76.88	118	23.12	512
<b>TOTAL</b>	<b>10,436</b>	<b>45.54</b>	<b>12,482</b>	<b>54.46</b>	<b>22,918</b>

Table 46 Awareness of SMEDAN by Sector

Sector	Yes		No		Total
	Number	Percentage	Number	Percentage	
Agriculture, Hunting, Forestry and Fishing	384	50.00	384	50.00	768
Mining and Quarrying	80	47.31	89	52.69	168
Manufacturing	2,431	40.45	3,578	59.55	6,009
Building and Construction	83	34.91	155	65.09	239
Wholesale and Retail Trade; Repair of Motor Vehicles and Household goods	1,649	39.16	2,561	60.84	4,210
Hotels and Restaurants	1,005	44.21	1,268	55.79	2,272
Transport, Storage and Communication	332	39.61	506	60.39	838
Financial Intermediation	1,615	69.49	709	30.51	2,323
Real Estate, Renting and Business Activities	519	52.61	468	47.39	987
Education	771	45.10	938	54.90	1,709
Health and Social Work	1,365	49.32	1,402	50.68	2,767
Other Community, Social and Personal Service Activities	204	32.52	423	67.48	627
<b>TOTAL</b>	<b>10,436</b>	<b>45.54</b>	<b>12,482</b>	<b>54.46</b>	<b>22,918</b>

Table 47 Benefit from SMEDAN Service

ITEM	Number	Percentage
Yes	996	9.5
No	9,440	90.5
Total	10,436	100.0

Table 48 Benefit from SMEDAN Service by States

State	Yes		No		Total
	Number	Percentage	Number	Percentage	
Abia	42	18.54	183	81.46	224
Adamawa	27	21.16	99	78.84	126
Akwa Ibom	15	7.12	192	92.88	207
Anambra	27	8.46	294	91.54	321
Bauchi	55	16.95	268	83.05	323
Bayelsa	0	0.00	63	100.00	63
Benue	24	11.17	193	88.83	217
Borno	12	24.09	37	75.91	49
Cross River	14	7.56	166	92.44	180
Delta	14	3.09	444	96.91	458
Ebonyi	0	0.00	97	100.00	97
Edo	39	6.87	530	93.13	569
Ekiti	5	4.58	110	95.42	115
Enugu	14	5.49	234	94.51	248
Gombe	7	4.09	159	95.91	166
Imo	45	16.84	220	83.16	265
Jigawa	0	0.00	127	100.00	127
Kaduna	120	15.45	654	84.55	773
Kano	26	3.58	701	96.42	727
Katsina	68	22.31	238	77.69	306
Kebbi	24	23.78	78	76.22	103
Kogi	16	8.50	175	91.50	191
Kwara	0	0.00	224	100.00	224
Lagos	139	14.58	813	85.42	952
Nassarawa	41	18.44	181	81.56	222
Niger	7	2.79	256	97.21	264
Ogun	3	2.60	129	97.40	132
Ondo	5	1.92	269	98.08	275
Osun	28	62.44	17	37.56	45
Oyo	71	9.58	667	90.42	738
Plateau	16	4.50	338	95.50	354
Rivers	34	7.78	401	92.22	435

Sokoto	14	6.99	188	93.01	202
Taraba	0	0.00	106	100.00	106
Yobe	0	0.00	111	100.00	111
Zamfara	25	19.26	103	80.74	128
FCT	20	5.12	374	94.88	394
TOTAL	996	9.54	9,440	90.46	10,436

Table 49 Ranking of SMEDAN Service

Services	Rank							
	1	2	3	4	5	6	7	8
Entrepreneurship Training	759	5218	71	35	50	22	18	
Vocational skill upgrading	367	3809	69	67	26	30	23	
Facilitation of access to market	258	3730	137	47	88	33	5	
Facilitation of access to Finance	387	3720	84	66	20	68	5	5
Business counseling/Monitoring	247	3705	57	61	96	29	63	
Facilitation of product quality control & Certification	185	3764	63	62	59	77	54	
Facilitation of access to information	245	3658	77	62	49	55	89	7
Others	338	3608	11	12	36	14	15	91

Table 50 Rank of Problems Militate Against Enterprises Development in Nigeria

Services	Rank							
	1	2	3	4	5	6	7	8
Lack of access to finance	13,273	2,200	1,168	607	406	228	268	19
Lack of work space	1,212	4,312	2,116	1,664	1,553	1,733	2,512	132
Weak infrastructure	2,619	5,435	4,493	1,851	1,487	830	586	66
Lack of entrepreneurship/vocational training	1,178	2,801	2,832	3,908	2,163	2,245	909	46
Obsolete equipment	884	1,526	2,005	2,403	4,061	2,597	1,640	54
Lack of access to research & development	875	1,392	2,329	2,892	2,646	3,302	1,903	113
Inconsistent policies	1,903	1,975	2,710	2,092	1,690	1,722	3,606	222
Transportation	501	619	357	222	230	166	392	1,270
Lack of gov't support	237	363	193	149	151	186	104	142

Inadequate power supply	291	327	129	188	235	244	38	47
Excess Tax	230	376	102	153	324	223	35	59
High interest rates	282	333	151	313	245	76	43	40
Subsidies	186	334	130	282	248	158	48	42
Illiteracy	171	413	153	148	223	163	76	33
None	300	334	184	173	253	72	46	35

Table 51 Measures by SMEDAN to Alleviate Problems

Services	Rank							
	1	2	3	4	5	6	7	8
Entrepreneurship Training	4,811	3,448	2,642	2,344	1,199	1,021	663	29
Vocational skill upgrading	1,674	3,818	3,227	2,686	1,879	1,322	1,115	100
Facilitation of access to market	1,831	3,888	3,498	2,516	1,911	1,317	924	100
Facilitation of access to Finance	8,663	2,692	2,046	2,587	1,014	588	309	67
Business counseling/Monitoring	1,306	2,114	2,198	2,151	4,074	2,191	1,320	77
Facilitation of product quality control & Certification	851	1,304	1,996	1,960	2,184	4,257	2,149	108
Facilitation of access to information	1,539	1,690	1,678	1,621	1,658	1,720	4,615	182
Transportation	464	540	221	482	343	167	278	861
Reduction of Tax	440	263	176	229	243	150	131	39
Inadequate power supply	372	341	75	291	152	115	47	62
Provision of fertilizer	337	295	139	182	148	90	48	44
Periodic visitation to all Nigerian industrial estate	311	261	99	218	228	75	27	34
None	484	286	69	178	213	96	26	71

Table 52 Export of Product/Services

Item	Number	Percentage
Yes	603	2.63
No	22,315	97.37
Total	22,918	100.00

Table 53 Value of Export by Sector (Naira)

AMOUNT (N'Million)	Below 10		20 - 30		21 - 30		31 - 40		41 - 50		Above 50		TOTAL
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	
Agriculture, Hunting, Forestry and Fishing	14	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	14
Mining and Quarrying	7	44.44	4	22.22	4	22.22	0	0.00	2	11.11	0	0.00	16
Manufacturing	143	44.68	34	10.64	48	14.89	0	0.00	34	10.64	61	19.15	319
Building and Construction	2	25.00	5	50.00	0	0.00	0	0.00	0	0.00	2	25.00	9
Wholesale and Retail Trade; Repair of Motor Vehicles and HH	81	78.57	7	7.14	0	0.00	0	0.00	7	7.14	7	7.14	103
Transport, Storage and Communication	38	87.50	0	0.00	0	0.00	0	0.00	5	12.50	0	0.00	44
Financial Intermediation	20	50.00	0	0.00	0	0.00	20	50.00	0	0.00	0	0.00	39
Real Estate, Renting and Business Activities	17	83.33	0	0.00	0	0.00	0	0.00	0	0.00	3	16.67	21
Education	34	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	34
Other Community, Social and Personal Service Activities	5	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	5
TOTAL	360	59.71	49	8.20	51	8.48	20	3.26	49	8.05	74	12.30	603

Table 54 Banking Relationship

Item	Number	Percentage
Yes	18,179	79.3
No	4,739	20.7
Total	22,918	100.0

Table 55 Business Registration

Item	No.	Percent
Yes	18,513	80.78
No	4,405	19.22
Total	22,918	100.00

Table 56 Business Plan

Item	No.	Percent
Yes	17,930	78.24
NO	4,988	21.76
Total	22,918	100.00

Table 57 Number of Micro Enterprises by State

STATE	Number	PERCENT
Abia	407,428	2.36
Adamawa	405,261	2.35
Akwa Ibom	447,589	2.59
Anambra	499,070	2.89
Bauchi	460,186	2.67
Bayelsa	420,233	2.43
Benue	436,391	2.53
Borno	463,009	2.68
Cross River	472,291	2.74
Delta	486,023	2.82
Ebonyi	416,508	2.41
Edo	491,220	2.85
Ekiti	421,770	2.44
Enugu	423,006	2.45
Gombe	416,183	2.41
Imo	408,761	2.37
Jigawa	438,502	2.54
Kaduna	548,467	3.18

Kano	872,552	5.05
Katsina	525,742	3.05
Kebbi	386,714	2.24
Kogi	473,882	2.75
Kwara	427,668	2.48
Lagos	880,805	5.10
Nassarawa	468,985	2.72
Niger	423,866	2.46
Ogun	471,772	2.73
Ondo	490,761	2.84
Osun	481,351	2.79
Oyo	523,209	3.03
Plateau	424,079	2.46
Rivers	585,241	3.39
Sokoto	379,507	2.20
Taraba	360,682	2.09
Yobe	364,806	2.11
Zamfara	385,654	2.23
FCT	272,579	1.58
<b>Total</b>	<b>17,261,753</b>	<b>100</b>

Table 58 Number of Micro Enterprises by Sector

SECTOR	Number	Percent
Agriculture	2,633,041	16.27
Mining and Quarrying	27,365	0.16
Manufacturing	2,831,642	16.79
Construction	556,133	3.12
Wholesale and Retail Trade; Repair of Motor Vehicles and Household Goods	8,884,265	53.24
Hotels and Restaurants	300,324	1.81
Transport, Storage and Communications	635,203	3.74
Real Estate, Renting and Business Activities	210,115	1.24
Education	33,259	0.28
Health and Social Work	12,712	0.08
Other Community, Social and Personal Service Activities	1,137,694	7.0
<b>Total</b>	<b>17,261,753</b>	<b>100</b>

Table 59 Initial Start-Up Capital at Inception (N'000)

AMOUNT(N'000)	TOTAL NUMBER	PERCENTAGE
Below 50	13,781,578	80.63
50-100	2,231,550	13.06
101-200	541,515	3.17
201-300	189,201	1.11
301-400	85,888	0.5
401-500	111,522	0.65
501-600	20,016	0.12
601-700	15,884	0.09
701-800	14,830	0.09
801-900	8,397	0.05
901-1000	38,088	0.22
Above 1000	53,671	0.31
Total	17,092,140	100



Table 60 Initial Start-Up Capital by Sector (000)

SECTOR	Below 50	50-100	101-200	201-300	301-400	401-500	501-600	601-700	701-800	801-900	901-1000	Above 1000	Total
<b>Agriculture</b>	2,187,703	296,602	71,939	12,332	20,669	15,980	1,728	-	1,930	717	666	16,550	2,626,816
<b>Mining and Quarrying</b>	15,620	4,577	1,936	-	-	3,436	-	-	-	-	1,796	-	27,365
<b>Manufacturing</b>	2,459,001	232,574	80,965	14,612	4,189	13,184	1,733	1,673	6,025	2,911	1,631	11,581	2,830,077
<b>Construction</b>	413,687	72,924	19,879	13,087	18,708	3,661	1,649	651	-	-	1,861	6,655	552,763
<b>Wholesale and Retail Trade; Repair of Motor Vehicles and Household Goods</b>	7,216,934	1,178,812	263,081	68,075	33,309	53,506	8,085	10,752	1,620	2,565	17,676	13,773	8,868,186
<b>Hotels and Restaurants</b>	235,367	33,783	14,574	8,827	777	4,892	-	-	2,104	-	-	-	300,324
<b>Transport, Storage and Communications</b>	351,407	177,588	39,704	23,725	1,980	10,407	6,822	2,808	3,151	2,204	8,123	3,544	631,463
<b>Real Estate, Renting and Business Activities</b>	137,690	37,719	10,503	16,558	2,217	1,367	-	-	-	-	-	1,568	207,623
<b>Education</b>	23,412	1,052	2,153	2,356	946	785	-	-	-	-	-	-	30,705
<b>Health and Social Work</b>	9,458	2,256	-	998	-	-	-	-	-	-	-	-	12,712
<b>Other Community, Social and Personal Service Activities</b>	457,117	106,874	17,903	25,257	991	1,745	-	-	-	-	-	-	609,887
<b>Total</b>	13,507,397	2,144,762	522,637	185,825	83,787	108,965	20,016	15,884	14,830	8,397	31,753	53,671	16,697,923

Table 61 Total Capital as at December 2010

AMOUNT(₹'000)	TOTAL NUMBER	PERCENTAGE
<b>Below 50</b>	9,077,259	53.66
<b>50-100</b>	4,333,033	25.61
<b>101-200</b>	1,661,813	9.82
<b>201-300</b>	589,207	3.48
<b>301-400</b>	308,658	1.82
<b>401-500</b>	272,358	1.61
<b>501-600</b>	132,406	0.78
<b>601-700</b>	96,456	0.57
<b>701-800</b>	84,377	0.50
<b>801-900</b>	51,528	0.30
<b>901-1000</b>	93,180	0.55
<b>Above 1000</b>	217,047	1.28
<b>Total</b>	16,917,323	100

Table 62 Ownership Status

Form of Ownership	OWNERSHIP STATUS	
	Number	Percent
<b>Sole Proprietorship</b>	16,699,803	97.36
<b>Partnership</b>	414,369	2.42
<b>Cooperative</b>	18,435	0.11
<b>Faith Based Organization</b>	19,762	0.12
<b>Total</b>	17,152,368	100

Table 63 Ownership Status by Sector

OWNERSHIP STATUS BY SECTOR									
SECTOR	Sole Proprietorship		Partnership		Private Limited Liability		Cooperative		Religious Organization
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Agriculture	2,545,781	96.95	78,012	2.97	1,506	0.05	1,359	0.05	736
Mining and Quarrying	27,365	100	-	0	-	0	-	-	-
Manufacturing	2,772,225	97.95	56,692	2.00	422	0	1,459	0.05	-
Construction	509,259	91.57	46,874	8.43	1,346	0.25	-	-	-
Wholesale and Retail Trade; Repair of Motor Vehicles and Household Goods	8,727,053	98.51	118,323	1.34	2,062	0	8,458	0.10	4,784
Hotels and Restaurants	300,324	100	-	-	-	0	-	0	-
Transport, Storage and Communications	594,454	93.58	27,043	4.26	3,770	0.58	-	0	13,706
Real Estate, Renting and Business Activities	205,008	97.57	5,107	2.43	6,677	3.13	-	0	-
Education	30,911	98.30	-	-	-	0	-	0	535
Health and Social Work	9,328	73.37	3,385	26.63	-	0	-	0	-
Other Community, Social and Personal Service Activities	596,923	97.87	12,965	2.13	-	0	-	0	-
Total	16,318,630	97.73	348,401	2.09	15,783	0.09	11,277	0.07	19,762

Table 64 Sex of Owners by Economic Sector

SECTOR	SEX OF OWNERS BY ECONOMIC SECTOR				
	Male		Female		Total
	Number	Percent	Number	Percent	
Agriculture	2,269,705	86.20	363,336	13.80	2,633,041
Mining and Quarrying	19,671	71.88	7,694	28.12	27,365
Manufacturing	1,409,325	49.77	1,422,316	50.23	2,831,642
Construction	461,134	82.92	94,999	17.08	556,133
Wholesale and Retail Trade; Repair of Motor Vehicles and Household Goods	4,525,266	50.94	4,358,999	49.06	8,884,265
Hotels and Restaurants	78,163	26.03	222,161	73.97	300,324

Transport, Storage and Communications	511,253	80.49	123,950	19.51	635,203
Real Estate, Renting and Business Activities	148,556	70.70	61,559	29.30	210,115
Education	25,210	75.80	8,049	24.20	33,259
Health and Social Work	6,682	52.57	6,030	47.43	12,712
Other Community, Social and Personal Service Activities	230,750	37.83	379,138	62.17	609,887
<b>Total</b>	<b>9,685,715</b>	<b>57.88</b>	<b>7,048,231</b>	<b>42.12</b>	<b>16,733,946</b>

Table 65 Age of Owner (sole Proprietorship)

Age of owner	Number	Percent
Below 20	97,074	0.54
20-25	1,038,555	6.04
26-35	4,728,878	27.86
36-50	6,789,574	41.60
51-60	2,368,717	14.09
Above 60	1,696,030	9.87
<b>Total</b>	<b>16718827.41</b>	<b>100</b>

Table 66 Highest Qualification Attained by Owners

Highest Qualification Attained	Number	Percent
No Education	5,262,877	30.63
Non Formal Education	1,899,249	11.05
Primary School	4,226,234	24.59
Secondary	4,458,593	25.94
Technical	219,840	1.28
NCE/ND	634,109	3.69
B.Sc/HND	385,817	2.25
Post-Graduate	98,098	0.57
<b>Total</b>	<b>17184817.16</b>	<b>100</b>

Table 67 Initial Total Assets at Inception

AMOUNT N : K (000)	Number	Percent
Below 50	12,319,311	72.66
50-100	2,681,832	15.82
101-200	940,331	5.55
201-300	286,473	1.69
301-400	191,547	1.13
401-500	151,319	0.89
501-600	35,991	0.21
601-700	54,487	0.32
701-800	56,579	0.33
801-900	21,097	0.12
901-1000	80,059	0.47
Above 1000	135,107	0.80
<b>Total</b>	<b>16740121.9</b>	<b>100</b>

Table 68 Source of Capital

Source	Number	Percent
<b>Personal savings</b>	13,661,185	84.56
<b>Loan</b>	1,068,228	9.17
<b>Family Source</b>	3,708,361	29.83
<b>Cooperative/Esusu</b>	923,047	7.98
<b>Husband</b>	187,509	1.69
<b>Partnership</b>	13,201	0.18
<b>Parents</b>	17,612	0.24
<b>Friends</b>	18,285	0.25
<b>Children</b>	6,423	0.09

Table 69 Business Capacity Turnover 2009

AMOUNT ₦(000)	Number	Percent
<b>Below 50</b>	13,816,670	82.54
<b>50-100</b>	1,936,647	11.57
<b>101-200</b>	561,732	3.36
<b>201-300</b>	149,921	0.90
<b>301-400</b>	61,869	0.37
<b>401-500</b>	43,308	0.26
<b>501-600</b>	22,079	0.13
<b>601-700</b>	27,414	0.16
<b>701-800</b>	10,612	0.06
<b>801-900</b>	16,297	0.10
<b>901-1000</b>	24,039	0.14
<b>Above 1000</b>	69,532	0.42
<b>Total</b>	16,740,121	100

Table 70 Business Capacity Monthly Average 2010

AMOUNT ₦(000)	Number	Percent
<b>Below 50</b>	13,028,628	76.91
<b>50-100</b>	2,356,755	13.91
<b>101-200</b>	766,117	4.52
<b>201-300</b>	271,880	1.60
<b>301-400</b>	96,543	0.57
<b>401-500</b>	76,996	0.45
<b>501-600</b>	50,455	0.30
<b>601-700</b>	39,605	0.23
<b>701-800</b>	26,551	0.16
<b>801-900</b>	20,599	0.12
<b>901-1000</b>	22,529	0.13
<b>Above 1000</b>	183,861	1.09
<b>Total</b>	16,940,519	100

Table 71 Business Monthly Cost of Operation

AMOUNT ₦(000)	Number	Percent
<b>Below 50</b>	15,736,515	92.71
<b>50-100</b>	892,528	5.26
<b>101-200</b>	188,679	1.11
<b>201-300</b>	52,864	0.31
<b>301-400</b>	18,622	0.11
<b>401-500</b>	29,539	0.17
<b>501-600</b>	10,207	0.06

601-700	5,688	0.03
701-800	10,935	0.06
801-900	-	-
901-1000	3,390	0.02
Above 1000	24,988	0.15
<b>Total</b>	<b>16,973,955</b>	<b>100</b>

Table 72 Promotional Media

PROMOTIONAL MEDIA	Number	Percent
Television	46,039	2.08
Newspaper advertisement	13,004	0.59
Handbill distribution	82,317	3.71
Person-to-Person	3,557,058	97.40
Radio advertisement	141,295	6.33
Billboard	127,496	5.75
Business Card	36,323	1.65

Table 73 Business Insurance

SECTOR	Insured		Not Insured		Total
	Number	Percent	Number	Percent	
Agriculture	29,911	1.14	2,603,130	98.86	2,633,041
Mining and Quarrying	1,237	4.52	26,129	95.48	27,365
Manufacturing	35,725	1.26	2,795,916	98.74	2,831,642
Construction	35,986	6.47	520,147	93.53	556,133
Wholesale and Retail Trade; Repair of Motor Vehicles and Household Goods	114,103	1.28	8,770,162	98.72	8,884,265
Hotels and Restaurants	10,412	3.47	289,912	96.53	300,324
Transport, Storage and Communications	26,496	4.17	608,707	95.83	635,203
Real Estate, Renting and Business Activities	3,359	1.60	206,756	98.40	210,115
Education	-	0.00	33,259	100	33,259
Health and Social Work	-	0.00	12,712	100	12,712
Other Community, Social and Personal Service Activities	2,001	0.33	607,887	99.67	609,887
<b>Total</b>	<b>259,229</b>	<b>1.55</b>	<b>16,474,717</b>	<b>98.45</b>	<b>16,733,946</b>

Table 74 Daily Usage of Alternative Source of Power by Sector

SECTOR	1 - 5 Hours		6 - 10 Hours		11 - 15 Hours		16 - 20 Hours		Total
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
Agriculture	1,506,604	75.62	238,535	11.97	111,818	5.61	135,509	6.80	1,992,465
Mining and Quarrying	14,089	51.03	1,956	7.08	7,697	27.87	3,870	14.02	27,613
Manufacturing	1,865,802	78.30	321,442	13.49	123,290	5.17	72,232	3.03	2,382,765
Construction	325,681	73.17	82,399	18.51	30,968	6.96	6,029	1.35	445,078
Wholesale and Retail Trade; Repair of Motor Vehicles and Household Goods	5,617,042	74.12	1,255,228	16.56	430,064	5.68	275,540	3.64	7,577,874
Hotels and Restaurants	182,980	66.05	62,847	22.69	9,845	3.55	21,352	7.71	277,025
Transport, Storage and Communications	338,766	72.59	87,508	18.75	16,206	3.47	24,201	5.19	466,681
Real Estate, Renting and Business Activities	130,950	66.68	39,044	19.88	17,627	8.98	8,778	4.47	196,399
Education	31,484	89.48	3,166	9.00	-	0.00	535	1.52	35,184
Health and Social Work	3,287	37.00	1,743	19.62	-	0.00	3,853	43.38	8,884
Other Community, Social and Personal Service Activities	339,768	69.86	88,047	18.10	22,126	4.55	36,393	7.48	486,334
<b>Total</b>	<b>10,356,453</b>	<b>74.53</b>	<b>2,181,914</b>	<b>15.70</b>	<b>769,642</b>	<b>5.54</b>	<b>588,294</b>	<b>4.23</b>	<b>13,896,302</b>



Table 75 Employment by Sector at Commencement

SECTOR	MALE		FEMALE	
	NUMBER	PERCENTAGE	NUMBER	PERCENTAGE
Agriculture	2,228,761	24.6	1,105,969	17
Mining and Quarrying	16,945	0.2	9,462	0.1
Manufacturing	1,232,618	13.6	1,304,744	20.1
Construction	376,803	4.2	60,933	0.9
Whole & Retail, Trade; Repair of Motor vehicles and Household Goods	4,335,612	47.9	3,295,406	50.6
Hotel & Restaurant	76,375	0.8	187,449	2.9
Transport, Storage of Communications	404,395	4.6	196,170	3.0
Real Estate, Renting and Business Activities	11,924	1.2	75,844	1.2
Education	33,688	0.4	11,533	0.2
Health & Social Work	7,287	0.1	-	-
Other community, social and personal service activities	219,379	2.4	258,170	4.0
Total	9,043,788	100	6,505,679	100
	58.2%		41.8%	

Table 76 Employment by Sector as at December 2010

SECTOR	MALE		FEMALE	
	TOTAL NO	PERCENTAGE	TOTAL NO	PERCENTAGE
Agriculture	2,087,779	23.3	1,168,380	17.5
Mining & Quarrying	16,302	0.2	14,246	0.2
Manufacturing	1,271,654	14.2	1,357,976	20.4
Construction	378,795	4.2	70,990	1.1
Wholesale & Retail Trade, Repair of Motor Vehicles and household goods	4,413,204	49.2	3,335,112	50
Hotels and Restaurants	93,844	1.0	205,855	3.1
Transport, Storage and Communications	348,008	3.8	172,972	2.6
Real estate, Renting and business activities	108,700	1.2	77,961	1.2
Education	30,743	0.3	6,581	0.1
Health and social work	5,672	0.1	667	-
Other community, social & personal service activities	222,528	2.5	253,492	3.8
Total	8,977,228	100	6,664,232	100
	57.4		42.6	

Table 77 Market Channel of Product

Market Channel	Number	Percent
Same locality	13,301,856	89.84
Same town	10,076,220	73.97
Same State	4,480,336	43.08
Nigeria only	1,445,342	16.58
ECOWAS	26,198	0.34
Africa only	6,110	0.08
Worldwide	1,130	0.01

Table 78 Business Registration by Sector

SECTOR	Registered		Not Registered		Total
	Number	Percent	Number	Percent	
Agriculture	86,067	3.31	2,642,699	96.69	2,603,907
Mining and Quarrying	515	1.88	27,097	98.12	27,365
Manufacturing	110,001	3.90	2,776,081	96.10	2,821,443
Construction	55,658	10.09	488,140	89.91	551,640
Wholesale and Retail Trade; Repair of Motor Vehicles and Household Goods	330,078	3.74	8,809,550	96.26	8,828,579
Hotels and Restaurants	26,295	8.88	281,755	91.12	296,260
Transport, Storage and Communications	95,235	15.01	539,195	84.99	634,430
Real Estate, Renting and Business Activities	28,538	13.73	179,318	86.27	207,855
Education	5,719	18.18	25,728	81.82	31,446
Health and Social Work	998	7.85	11,715	92.15	12,712
Other Community, Social and Personal Service Activities	48,575	7.96	561,312	92.04	609,887
<b>Total</b>	<b>787,679</b>	<b>4.74</b>	<b>15,837,846</b>	<b>95.26</b>	<b>16,625,525</b>

Table 79 Support Received from Association

Support	Number	Percent
Loan	752,303	4.36
Training	347,110	2.01
Joint Permit from government	73,021	0.42
Facilitation of access to quality product	17,536	0.10
Moral	56,058	0.32
Police protection	51,802	0.30
Bulk purchases	4,926	0.03
Motivation	27,016	0.16
Dissemination of information on govt policies	36,479	0.21
Education	2,270	0.01
Advise	69,290	0.40
Monitoring and Regulation	8,611	0.05
Support member against gov't harassment	13,414	0.08
Awareness for best practices	14,006	0.08
Not Stated	15,789,250	91.46
<b>Total</b>	<b>17263091.32</b>	<b>100</b>

Table 80 Own Patent Right by Sector

SECTOR	PATENT RIGHT		NO PATENT RIGHT		Total
	Number	Percent	Number	Percent	
Agriculture	241,098	9.16	2,391,943	90.84	2,633,041
Mining and Quarrying	781	2.86	26,584	97.14	27,365
Manufacturing	89,957	3.18	2,741,685	96.82	2,831,642
Construction	50,090	9.01	506,043	90.99	556,133
Wholesale and Retail Trade; Repair of Motor Vehicles and Household Goods	337,811	3.80	8,543,219	96.20	8,881,029
Hotels and Restaurants	6,815	2.27	293,509	97.73	300,324
Transport, Storage and Communications	71,949	11.33	563,254	88.67	635,203
Real Estate, Renting and Business Activities	3,176	1.51	206,938	98.49	210,115
Education	2,833	8.52	30,426	91.48	33,259
Health and Social Work	-	0.00	12,712	100.00	12,712
Other Community, Social and Personal Service Activities	47,588	7.80	562,300	92.20	609,887
<b>Total</b>	<b>852,097</b>	<b>5.09</b>	<b>15,878,613</b>	<b>94.91</b>	<b>16,730,710</b>

Table 81 Own Patent Right by Form of Ownership

Form of Ownership	Have Patent Right		No Patent Right		Total
	Number	Percent	Number	Percent	Number
Sole Proprietorship	834,185	5.10	15,513,188	94.90	16,347,373
Partnership	58,751	15.34	324,295	84.66	383,047
Private Limited Liability	-	0.00	15,783	100	15,783
Cooperative	-	0.00	22,558	100	22,558
Faith Based Organisation	-	0.00	16,727	100	16,727
<b>Total</b>	<b>892,936</b>	<b>5.32</b>	<b>15,892,551</b>	<b>94.68</b>	<b>16,785,487</b>

Table 82 Patent Right Registered by Sector

SECTOR	Patent Right Registered		Patent Right Not Registered		Total
	Number	Percent	Number	Percent	
Agriculture	24,523	11.52	188,346	88.48	212,868
Mining and Quarrying	-	0.00	489	100.00	489
Manufacturing	9,338	11.17	74,270	88.83	83,607
Construction	22,759	54.35	19,113	45.65	41,872
Wholesale and Retail Trade; Repair of Motor Vehicles and Household Goods	48,171	12.59	334,471	87.41	382,643
Hotels and Restaurants	2,066	32.86	4,221	67.14	6,287
Transport, Storage and Communications	22,358	31.93	47,656	68.07	70,014
Real Estate, Renting and Business Activities	1,230	46.92	1,391	53.08	2,621
Education	946	28.36	2,389	71.64	3,335
Other Community, Social and Personal Service Activities	4,461	9.78	41,137	90.22	45,598
<b>Total</b>	<b>135,851</b>	<b>15.99</b>	<b>713,484</b>	<b>84.01</b>	<b>849,335</b>

Table 83 Skills Gap by Sector

SECTOR	Qualified Artisans Readily Available		Qualified Artisans Not Readily Available		Total
	Number	Percent	Number	Percent	
Agriculture	1,252,744	47.58	1,380,297	52.42	2,633,041
Mining and Quarrying	12,752	46.60	14,614	53.40	27,365
Manufacturing	1,506,077	53.19	1,325,564	46.81	2,831,642
Construction	313,854	56.44	242,279	43.56	556,133
Wholesale and Retail Trade; Repair of Motor Vehicles and Household Goods	3,951,572	44.48	4,932,692	55.52	8,884,265
Hotels and Restaurants	115,839	38.57	184,486	61.43	300,324
Transport, Storage and Communications	361,099	56.85	274,104	43.15	635,203
Real Estate, Renting and Business Activities	102,670	48.86	107,445	51.14	210,115
Education	22,257	66.92	11,002	33.08	33,259
Health and Social Work	8,370	65.85	4,342	34.15	12,712
Other Community, Social and Personal Service Activities	330,255	54.15	279,633	45.85	609,887
<b>Total</b>	<b>7,977,488</b>	<b>47.67</b>	<b>8,756,457</b>	<b>52.33</b>	<b>16,733,946</b>

Table 84 Skills Gap by Form of Ownership

Form of Ownership	Qualified Artisans Readily Available		Qualified Artisans Not Readily Available		Total
	Number	Percent	Number	Percent	
Sole Proprietorship	7,931,205	45.53	9,348,434	54.47	17,162,053
Partnership	217,826	40.87	285,247	59.13	482,440
Cooperative	6,304	34.19	12,132	65.81	18,435
Faith Based Organization	19,762	100	-	0.00	19,762
<b>Total</b>	<b>8,175,096</b>	<b>47.66</b>	<b>8,977,272</b>	<b>52.34</b>	<b>17,152,368</b>

Table 85 Major Government Policy That Affect Business Most Favourably

Policy	Number	Percent
Sanitary inspectors	168,141	0.97
Good roads	539,898	3.13
Importation of raw materials	70,174	0.41
Job creation	34,914	0.20
Reduced tax	219,251	1.27
Exchange rate	44,301	0.26
Intervention Fund	322,287	1.87
Improved Power supply	237,087	1.37
Political stability	93,315	0.54
Banking reform	62,925	0.36
Policy on fertilizer production	132,917	0.77
Favourable atmosphere for business	888,608	5.15
Not Stated	14,449,273	83.70
Total	17263091.32	100

Table 86 Major Government Policy That Affect Business Most Unfavourably

Policy	Number	Percent
Inadequate power supply	717,595	4.16
Excess Taxes	2,070,216	11.99
Demolition	167,363	0.97
Traffic Officials	39,137	0.23
Sanitation Official	126,160	0.73
Lack of Infrastructure	431,655	2.50
High cost of transport	293,867	1.70
High cost of petrol	397,003	2.30
High cost of permit	103,546	0.60
Withdrawal of subsidies	1,910,880	11.07
Introduction of sharia	46,633	0.27
High cost of living	295,523	1.71
Seizure of goods	29,601	0.17
Lack of social amenities	616,695	3.57
Banning goods	5059,767	0.35
Introduction of GSM	3,079	0.02
High cost of fund	251,552	1.46
Gov't policy of pension	36,308	0.21
Embargo on loans facilities	156,297	0.91
From bank	6,859	0.04
Not Stated	9,503,357	55.05
Total	17,263,091	100`

Table 87 Top Priority of Assistance

Assistance	Number	Percent
Provide financial institutions	173,896	1.13
Adequate transport facilities	312,514	2.03
Adequate and regular power and water supply	590,374	3.84
Reduced rate of taxation	36,913	0.24
Reduced charge for medical treatment	39,363	0.26
Reduced interest rate	354,046	2.30
Regular fuel supply at approved rate	34,822	0.23
Financing/Financial assistance	11,259,005	73.24
Provide farm inputs ((seeding, equipment, fertilizer etc)	507,543	3.30
Facilitate quality product	17,222	0.11
Provision of infrastructure (access roads, market, work space	1,636,776	10.65
Provide security	62,108	0.40
Provision of equipment spare parts/raw materials	234,144	1.52
Others	114,931	0.75
<b>Total</b>	<b>15,373,658</b>	<b>100</b>

Table 88 Awareness of SMEDAN by Form of Ownership

Form of Ownership	Aware		Not Aware		Total
	Number	Percent	Number	Percent	
Sole Proprietorship	790,606	4.73	15,909,197	95.27	16,699,803
Partnership	27,413	6.62	386,956	93.38	414,369
Cooperative	1,525	8.27	16,910	91.73	18,435
Faith Based Organization	1,996	10.10	17,766	89.90	19,762
<b>Total</b>	<b>821,540</b>	<b>4.79</b>	<b>16,330,828</b>	<b>95.21</b>	<b>17,152,368</b>

Table 89 Awareness of SMEDAN by State

STATE	Aware		Not Aware		Total
	Number	Percent	Number	Percent	
Abia	41,479	10.18	365,949	89.82	407,428
Adamawa	20,479	5.05	384,782	94.95	405,261
Akwa Ibom	13,590	3.04	433,999	96.96	447,589

Anambra	-	0.00	499,070	100.0	499,070
Bauchi	1,889	0.41	458,297	99.59	460,186
Bayelsa	12,213	2.91	408,021	97.09	420,233
Benue	4,087	0.94	432,304	99.06	436,391
Borno	10,544	2.28	452,465	97.72	463,009
Cross River	-	0.00	472,291	100.0	472,291
Delta	21,237	4.37	464,786	95.63	486,023
Ebonyi	10,152	2.44	406,357	97.56	416,508
Edo	-	0.00	491,220	100.0	491,220
Ekiti	77,898	18.47	343,872	81.53	421,770
Enugu	-	0.00	423,006	100.0	423,006
Gombe	2,994	0.72	413,190	99.28	416,183
Imo	11,011	2.69	397,750	97.31	408,761
Jigawa	46,626	10.63	391,876	89.37	438,502
Kaduna	3,723	0.68	544,743	99.32	548,467
Kano	35,732	4.10	836,820	95.90	872,552
Katsina	-	0.00	525,742	100.0	525,742
Kebbi	14,171	3.66	372,543	96.34	386,714
Kogi	14,327	3.02	459,554	96.98	473,882
Kwara	804	0.19	426,865	99.81	427,668
Lagos	14,918	1.69	865,886	98.31	880,805
Nassarawa	145,173	30.95	323,811	69.05	468,985
Niger	42,852	10.11	381,014	89.89	423,866
Ogun	1,066	0.23	470,706	99.77	471,772
Ondo	1,251	0.25	489,509	99.75	490,761
Osun	9,449	1.96	471,902	98.04	481,351
Oyo	2,636	0.50	520,573	99.50	523,209
Plateau	-	0.00	424,079	100.0	424,079
Rivers	159,096	27.18	426,145	72.82	585,241
Sokoto	46,595	12.28	332,912	87.72	379,507
Taraba	39,571	10.97	321,111	89.03	360,682
Yobe	-	0.00	364,806	100.0	364,806
Zamfara	968	0.25	384,686	99.75	385,654
FCT	19,046	6.99	253,533	93.01	272,579
Total	825,576	4.78	16,436,177	95.22	17,261,753

Table 90 Benefit from SMEDAN Services by State

STATE	Benefitted		Not Benefitted		Total
	Number	Percent	Number	Percent	
Abia	-	0.0	41478.9	100.0	41478.9
Adamawa	1400.086	6.8	19079.35	93.2	20479.44
Akwa Ibom	776.1018	5.7	12813.69	94.3	13589.79
Bauchi	1888.971	100.0	-	0.0	1888.971



Bayelsa	-	0.0	12212.67	100.0	12212.67
Benue	-	0.0	4087.403	100.0	4087.403
Borno	3000.638	28.5	7543.272	71.5	10543.91
Delta	-	0.0	21236.73	100.0	21236.73
Ebonyi	-	0.0	10151.51	100.0	10151.51
Ekiti	1866.957	2.4	76030.65	97.6	77897.6
Gombe	672.3094	22.45	2321.194	77.5	2993.504
Imo	-	0.0	11010.8	100.0	11010.8
Jigawa	-	0.0	46625.96	100.0	46625.96
Kaduna	3723.205	100.0	-	0.0	3723.205
Kano	9608.739	26.8	26123.09	73.1	35731.83
Kebbi	-	0.0	14170.83	100.0	14170.83
Kogi	976.4352	6.8	13350.89	93.2	14327.32
Kwara	-	0.0	803.6366	100.0	803.6366
Lagos	1880.798	12.6	13037.67	87.4	14918.47
Nassarawa	628.9914	0.4	144544.5	99.6	145173.5
Niger	-	0.0	42852.48	100.0	42852.48
Ogun	-	0.0	1065.751	100.0	1065.751
Ondo	1251.363	100.0	-	0.0	1251.363
Osun	-	0.0	9448.913	100.0	9448.913
Oyo	-	0.0	2635.969	100.0	2635.969
Rivers	-	0.0	159095.9	100.0	159095.9
Sokoto	-	0.0	46595.09	100.0	46595.09
Taraba	513.9082	1.2	39057.35	98.7	39571.26
Zamfara	967.8296	100	-	0.0	967.8296
FCT	-	0.0	19045.81	100.0	19045.81
Total	29156.33	3.5	796420	96.46837	825576.4

Table 91 Benefitted from SMEDAN by Form of Ownership

Form of Ownership	Benefitted		Not Benefitted		Total
	Number	Percent	Number	Percent	
Sole Proprietorship	25,658	3.0	822,305	97.0	847,962
Partnership	0	0	28,387	100	28,387
Cooperative	0	0	1,525	100	1,525
Faith Based Organization	0	0	1,996	100	1,996
Total	25,658	2.9	854,213	97.1	879,870

Table 92 Ranking of SMEDAN Services Received

Ranking	Entrepreneurship Training		Vocational Skill Upgrading		Facilitation of Access to Market		Facilitation of Access to Finance		Business Counseling/Monitoring		Facilitation of Product Quality Control & Certification		Facilitation of Access to Information		Others	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
1	57,039	6.3	13,941	1.6	21,232	2.4	21,163	2.4	901	0.1	825,353	97.3	3,540	0.4	62,339	6.9
2	835,612	91.7	832,627	94.6	838,167	94.0	836,278	94.3	828,130	96.9	1,265	0	822,718	96.7	827,528	91.7
3	14,149	1.6	4,602	0.5	14,143	1.6	6,863	0.8	2,403	0.3	3,155	0.4	3,023	0.4	901	0.1
4	1,447	0.2	11,449	1.3	9,375	1.1	7,514	0.8	4,714	0.6	5,285	0.6	4,354	0.5	1,971	0.2
5	1,730	0.2	9,242	1.0	2,176	0.2	5,782	0.7	7,608	0.9	2,075	0.2	6,906	0.8	1,099	0.1
6	-	0.0	6,547	0.7	3,316	0.4	5,697	0.6	2,850	0.3	5,839	0.7	4,824	0.6	5,518	0.6
7	838	0.1	2,113	0.2	2,930	0.3	3,014	0.3	8,421	1.0	3,789	0.4	3,340	0.4	2,821	0.3
8	-	0	-	0	-	0	-	0	-	0	-	0	1,099	0.1	-	0
<b>Total</b>	910,815	100	880,521	100	891,340	100	901	0.1	855,027	100	1,099	0.1	969	0.1	902,176	100

Table 93 Ranking of Major Problem Militating Against Businesses in Nigeria

Table 4.2.37 Ranking of Major Problem Militating Against Business in Nigeria														
Lack of access to Finance	Lack of work space	Weak Infrastructure	Lack of Entrepreneurship	Obsolete Equipment	Lack of access to R&D	Inconsistent policies	Transportation	Lack of government Support	Inadequate Power Supply	Excess Tax	High Interest Rate	Subsidies	Illiteracy	None
84.2	3.5	4.6	3.6	1.9	2.1	2.4	2.7	2.7	4.0	4.5	4.8	10.4	11.3	17.6
12.1	50.2	37.6	32.2	16.2	14.8	13.9	34.7	37.8	38.2	41.0	44.7	48.3	60.1	48.9
1.8	12.1	34.4	18.4	12.7	14.4	10.3	1.9	0.8	1.6	2.6	3.7	14.2	6.4	8.9
0.9	9.2	9.3	25.8	12.2	17.0	10.4	1.9	1.8	21.3	6.8	9.6	5.4	4.6	5.7
0.4	6.3	6.5	8.1	33.5	14.1	10.2	1.2	2.8	5.8	33.5	16.6	10.9	8.3	10.0
0.3	6.6	5.3	9.5	14.9	27.2	11.1	0.9	1.4	15.2	6.5	16.9	6.2	5.3	4.5
0.3	11.7	2.1	2.4	8.1	9.3	32.9	5.8	25.6	4.3	0.4	0.6	0.4	0.7	0.8
0.1	0.3	0.1	0.0	0.3	0.7	1.1	49.2	8.3	2.6	1.8	1.9	2.2	1.4	1.3
0.0	0.0	0.1	0.1	0.2	0.5	7.6	1.8	18.8	7.0	2.9	1.3	2.1	2.0	2.4
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

Table 94 Personal Insurance of Owners

Form of Ownership	Insured Self		Did Not Insure Self		
	Number	Percent	Number	Percent	
<b>Sole Proprietorship</b>	278,849	1.66	16,524,207	98.34	16,803,056
<b>Partnership</b>	11,454	3.23	343,596	96.77	355,050
<b>Cooperative</b>	-	0	14,487	100	14,487
<b>Faith Based Organization</b>	1,996	11.93	14,731	88.07	16,727
<b>Total</b>	292,299	1.7	16,897,022	98.3	17,189,320

Table 95 Personal Banking Relationship of Owners

Form of Ownership	Had Personal Banking Relationship		No Personal Banking Relationship		
	Number	Percent	Number	Percent	
<b>Sole Proprietorship</b>	2,899,873	17.26	13,903,183	82.74	16,803,056
<b>Partnership</b>	76,587	21.57	278,463	78.43	355,050
<b>Cooperative</b>	12,420	85.73	2,067	14.27	14,487
<b>Faith Based Organization</b>	4,284	25.61	12,443	74.39	16,727
<b>Total</b>	2,993,164	17.41	14,196,157	82.59	17,189,320

Table 96 Qualification Attained by Workers

Form of Ownership	Primary	Secondary	Technical	NCE/ND	B.Sc/HND	Post Graduate	Non-Formal Education	No Education	
<b>Sole Proprietorship</b>	16.44	15.64	8.78	9.00	8.54	8.58	14.14	18.89	100
<b>Partnership</b>	25.55	25.28	3.22	4.57	3.68	2.87	11.51	23.32	100
<b>Cooperative</b>	27.56	26.42	5.92	13.50	5.92	5.92	8.84	5.92	100
<b>Faith Based Organization</b>	20.53	10.51	12.02	12.02	12.02	12.02	12.02	8.85	100

Table 97 What SMEDAN Can do to Alleviate Some of the Problems

Ranking	Entrepreneurship Training	Vocational Skill Upgrading	Facilitation of Access to Market	Facilitation of Access to Finance	Business Counseling/Monitoring	Facilitation of Product Control	Facilitation of Access to Information	Transportation	Inadequate power Supply	Periodic visit	None
1	21.87	6.91	11.87	54.08	4.19	3.21	4.01	7.80	8.76	7.22	10.15
2	30.10	30.20	42.19	19.48	17.39	15.74	15.48	39.29	44.18	45.62	44.77
3	19.45	20.68	17.47	7.53	11.51	10.65	9.71	4.92	3.96	4.01	2.53
4	12.91	14.69	10.29	9.90	13.15	12.88	12.68	12.15	9.68	15.06	15.00
5	7.36	10.21	7.90	3.71	26.01	18.02	15.40	13.29	16.30	14.99	16.09
6	4.07	8.35	4.55	2.62	14.67	25.91	12.33	4.65	6.89	4.07	3.35
7	3.24	6.58	3.84	1.10	10.07	10.67	27.45	2.65	2.34	2.22	2.10
8	0.51	1.12	0.73	0.72	1.42	1.52	1.90	12.52	4.55	4.08	4.10
9	0.50	1.27	1.16	0.85	1.59	1.41	1.04	2.74	3.34	2.73	1.89
<b>Total</b>	100	100	100	100	100	100	100	100	100	100	100

Table 98 Business Plan by Ownership

Form of Ownership	Have Business Plan		No Business Plan		
	Number	Percent	Number	Percent	
Sole Proprietorship	7,434,080	44.59	9,236,240	55.41	16,670,320
Partnership	143,677	40.94	207,252	59.06	350,929
Cooperative	10,388	71.71	4,098	28.29	14,487
Faith Based Organization	5,761	34.44	10,967	65.56	16,727
<b>Total</b>	7,593,906	44.53	9,458,557	55.47	17,052,463

Table 99 Membership of Association

Association	Number	Percent
None	14,933,001	86.50
Trade Association	1,378,122	7.98
Professional Association	154,181	0.89
Technical Association	76,284	0.44
Cooperative Society	577,559	3.35
Faith Based Organization	136,241	0.79
Social Organization	1,686	0.01
Road Transport Association	4,547	0.03
Foundation	733	0.00
Others	739	0.00
<b>Total</b>	17,263,091	100

Table 100 Micro, Small, Medium Enterprises (MSMEs) Nominal GDP (Naira million)

SECTOR	Micro	Small	Medium	Total MSME GDP	Total GDP by Sector	MSME Ratio to Total (%)
1 Agriculture, Hunting, Forestry and Fishing	7,174,496.33	2,605,244.95	325,377.40	10,105,118.68	10,310,655.64	98.01
2 Mining and Quarrying	1,943.25	16,193.79	12,833.55	30,970.60	45,691.79	67.78
3 Manufacturing	47,023.02	188,092.08	174,809.83	409,924.93	643,070.22	63.74
4 Building and Construction	1,934.61	7,738.45	32,777.55	42,450.62	394,666.15	10.76
5 Wholesale and Retail Trade: Repair of Motor Vehicles and Household goods	183,075.18	2,171,612.18	805,530.81	3,160,218.17	4,648,696.98	67.98
6 Hotels and Restaurants	4,795.50	31,970.00	9,452.01	46,217.51	113,791.81	40.62
7 Transport, Storage and Communications	51,010.97	83,464.61	180,116.21	314,591.79	791,543.34	39.74
8 Financial Intermediation	4,925.75	15,762.40	6,304.96	26,993.10	507,799.25	5.32
9 Real Estate, Renting and Business Activities	1,083,974.42	235,130.77	17,392.13	1,336,497.32	1,348,226.89	99.13
10 Education	4,487.28	8,413.66	14,022.76	26,923.70	56,091.04	48.00
11 Health and Social Work	2,950.98	3,058.62	3,195.60	9,205.20	12,470.22	73.82
12 Other Community, Social and Personal Service Activities	308,578.37	59.91	62.60	308,700.88	308,764.84	99.98
<b>Totals by MSME classification</b>	<b>8,869,195.68</b>	<b>5,366,741.41</b>	<b>1,581,875.41</b>	<b>15,817,812.50</b>	<b>19,181,468.17</b>	
<b>Total GDP at Current Basic Prices (Nominal)</b>					<b>33,984,754.13</b>	<b>46.54</b>

Table 101 Contribution to Each GDP Economic Activity (%)

Table 4.3.2: Contribution of MSME to Each GDP Economic Activity (Percentage)					
SECTOR	Micro	Small	Medium	Total	
1 Agriculture, Hunting, Forestry and Fishing	69.58	25.27	3.16	98.01	
2 Mining and Quarrying	4.25	35.44	28.09	67.78	
3 Manufacturing	7.31	29.25	27.18	63.74	
4 Building and Construction	0.49	1.96	8.31	10.76	
5 Wholesale and Retail Trade: Repair of Motor Vehicles and Household goods	3.94	46.71	17.33	67.98	
6 Hotels and Restaurants	4.21	28.10	8.31	40.62	
7 Transport, Storage and Communications	6.44	10.54	22.76	39.74	
8 Financial Intermediation	0.97	3.10	1.24	5.32	
9 Real Estate, Renting and Business Activities	80.40	17.44	1.29	99.13	
10 Education	8.00	15.00	25.00	48.00	
11 Health and Social Work	23.66	24.53	25.63	73.82	
12 Other Community, Social and Personal Service Activities	99.94	0.02	0.02	99.98	

Table 102 Initial Start-Up Capital at Inception (N '000)

AMOUNT (N'000)	TOTAL NUMBER	PERCENTAGE
Below 50	14,062,562	80
50-100	2,340,052	13.3
101-200	589,533	3.4
201-300	191,853	1.1
301-400	90,557	0.5
401-500	125,480	0.7
501-600	23,702	0.1
601-700	20,109	0.1
701-800	18,279	0.1
801-900	12,279	0.1
901-1000	50,964	0.3
Above 1000	61,135	0.3
<b>Total</b>	<b>17,586,352</b>	<b>100</b>

Table 103 Personal Insurance Owners

Form of Ownership	Self Insured		Not Self Insured		TOTAL
	Number	Percent	Number	Percent	
Sole Proprietorship	278,849	1.66	16,524,207	98.34	16,803,056
Partnership	11,454	3.23	343,596	96.77	355,050
Cooperative	-	0.00	14,487	100	14,487
Faith Based Organization	1,996	11.93	14,731	88.07	16,727
<b>Total</b>	<b>292,299</b>	<b>1.70</b>	<b>16,897,022</b>	<b>98.30</b>	<b>17,189,320</b>

Table 1044 Total Number of Workers by Sector as at December 2010

SECTOR	Persons Engaged		Owners of Enterprise		Total	
	Number	Percent	Number	Percent	Number	Percent
Agriculture	3,256,159	23.3	2,633,041	15.7	5,889,200	18.2
Mining & Quarrying	30,548	0.2	27,365	0.2	57,913	0.2
Manufacturing	2,629,630	14.2	2,831,642	16.9	5,461,271	16.9
Construction	449,785	4.2	556,133	3.3	1,005,918	3.1
Wholesale & Retail Trade, Repair of Motor Vehicles and household goods	7,748,316	49.2	8,884,265	53.1	16,632,581	51.4
Hotels and Restaurants	299,699	1.0	300,324	1.8	600,023	1.9
Transport, Storage and Communications	520,980	3.9	635,203	3.8	1,156,183	3.6
Real estate, Renting and business activities	186,661	1.2	210,115	1.3	396,776	1.2
Education	37,324	0.3	33,259	0.2	70,583	0.2
Health and social work	6,339	0.1	12,712	0.1	19,051	0.1
Other community, social & personal service activities	476,020	2.5	609,887	3.6	1,085,908	3.4
<b>Total</b>	<b>15,641,460</b>	<b>100</b>	<b>16,733,946</b>	<b>100</b>	<b>32,375,406</b>	<b>100</b>